







# **REPORT**

**ON**

**SURVEY OF LABOUR CONDITIONS**

**IN**

**BIDI FACTORIES IN INDIA**

**(1965-66)**



सत्यमेव जयते

**LABOUR BUREAU**  
**(DEPARTMENT OF LABOUR AND EMPLOYMENT)**  
**MINISTRY OF LABOUR, EMPLOYMENT AND REHABILITATION**  
**GOVERNMENT OF INDIA**



**ERRATA TO THE REPORT ON SURVEY OF LABOUR CONDITIONS IN BIDI  
FACTORIES IN INDIA (1965-66)**

S. No.	Reference	For	Read
1	2	3	4
1	Page 7, Statement 2·1, heading.	Estimated Percentage Distribution of Workers† by Broad Occupational Groups (AEst March, 1965).	Estimated Percentage Distribution of Workers† by Broad Occupational Groups (31st March, 1965).
2	Page 13, Statement 2·5, Col. 5, against All-India—Large Factories.	606 1·7	606 (1·7)
3	Page 14, line 2 from top	Packisg	Packing
4	Page 25, Statement 4·2 Col. 12, against Maharashtra.	68·0	8·0
5	Page 28, Statement 4·3 Col. 6, heading.	National and Holidays Festival	National and Festival Holidays
6	Page 31, First para, line 12 from top.	A part	Apart
7	Page 42, Statement 7·2 Col. 1, heading.	Blank	Centre
8	Page 43, Para 7·3, lines 5—7.	Their proper -cent of large and about 12 per cent of small size units. Their proper —(about 9 per cent) in the Residual Group excluding Madras.	Their proportion was the highest (38 per cent) in Maharashtra and the lowest (about 9 per cent.) in the Residual Group excluding Madras.
9	Page 45, Para 7·6, Sub-para 2, line 3.	Statutory obligatory	Statutory obligation
10	Page 47, 2nd Para, lines 2—4.	With a view to maintaining period of 12 months for which information was available subject to collect information, as far as possible, for the calendar year, 1964.	With a view to maintaining comparability of data and ensuring uniformity, it was intended to collect information, as far as possible, for the calendar year, 1964.
11	Page 53, Statement 8·3 Col. 2, against Madhya Pradesh.	·02 (94·	0·02 (94·80)



## CONTENTS

	PAGE
PREFACE	(v)
CHAPTER I—INTRODUCTION	
Growth and Location of the Industry	1
Genesis of the Survey	3
Scope and Design	4
CHAPTER II—EMPLOYMENT	
Composition of the Working Force : Distribution of Working Force by Broad Occupational Groups, Distribution of Workers by 'Covered' and 'Not Covered' Categories under the Factories Act, 1948	.. .. .
Employment of Women	10
Child Labour	11
Time-rated and Piece-rated Workers	11
Contract Labour	13
System of Recruitment	14
Employment Status	14
Length of Service	15
Absenteeism and Labour Turnover	16
Training and Apprenticeship	17
CHAPTER III—WAGES AND EARNINGS	
Earnings : Average Daily Earnings of Different Categories of Workers, Average Daily Earnings of All Workers	18
Dearness Allowance	20
Production/Incentive Bonus or Pay	20
Night Shift Allowance	20
House Rent Allowance	20
Transport/Conveyance Allowance	21
Other Cash Allowances	21
Bonuses : Annual/Year-end Bonus, Festival Bonus and Profit-sharing Bonus	21
Fines and Deductions	22
CHAPTER IV—WORKING CONDITIONS	
Shifts	23
Hours of Work	23
Dust and Fumes	26
Seating Arrangements	26
Conservancy	26
Leave and Holidays with Pay; Earned Leave, Casual Leave, Sick Leave, National and Festival Holidays	27
Weekly-off	30



CHAPTER V—WELFARE AND AMENITIES								Page
Drinking Water Facilities ..	..	..	..	..	..	..	..	31
Washing Facilities ..	..	..	..	..	..	..	..	33
Bathing Facilities ..	..	..	..	..	..	..	..	34
Canteens ..	..	..	..	..	..	..	..	34
Creches ..	..	..	..	..	..	..	..	34
Lockers ..	..	..	..	..	..	..	..	34
Rest Shelters ..	..	..	..	..	..	..	..	34
Recreation Facilities ..	..	..	..	..	..	..	..	35
Educational Facilities ..	..	..	..	..	..	..	..	35
Medical Facilities : Hospitals and Dispensaries Ambulance Rooms, First-aid Boxes								35
Transport Facilities ..	..	..	..	..	..	..	..	36
Other Amenities ..	..	..	..	..	..	..	..	36
Housing Facilities ..	..	..	..	..	..	..	..	36
CHAPTER VI—SOCIAL SECURITY								
Provident Fund Schemes ..	..	..	..	..	..	..	..	39
Pension and Gratuity Schemes ..	..	..	..	..	..	..	..	40
Maternity Benefits ..	..	..	..	..	..	..	..	40
Industrial Accidents ..	..	..	..	..	..	..	..	40
Occupational Diseases ..	..	..	..	..	..	..	..	40
CHAPTER VII—INDUSTRIAL RELATIONS								
Industrial Disputes ..	..	..	..	..	..	..	..	41
Trade Unionism ..	..	..	..	..	..	..	..	41
Collective Agreements ..	..	..	..	..	..	..	..	43
Standing Orders ..	..	..	..	..	..	..	..	43
Labour and Welfare Officers ..	..	..	..	..	..	..	..	44
Works Committees ..	..	..	..	..	..	..	..	45
Production Committees and Other Committees ..	..	..	..	..	..	..	..	45
Grievance Procedure ..	..	..	..	..	..	..	..	46
Association of Workers with the Management ..	..	..	..	..	..	..	..	46
CHAPTER VIII—LABOUR COST								
Labour Cost per Man-day Worked ..	..	..	..	..	..	..	..	47
Components of Labour Cost; Wages, Premium Pay, for Overtime and Late Shifts, Bonuses, Other Payments in Cash and Kind, Social Security Contributions, Subsidies, Direct Benefits, Some Other Payments Related to Labour Cost and Others								48
CHAPTER IX—SUMMARY OF FINDINGS								
Summary of Findings ..	..	..	..	..	..	..	..	59
APPENDIX I								
Note on Labour Conditions in Bidi Factories in Madras covered during the Survey of Labour Conditions (1965-66) ..	..	..	..	..	..	..	..	64
APPENDIX II								
A Brief Note on the Sample Design and the Method of Estimation Adopted ..								71

STATISTICAL TABLES

Statement	Synopsis	Page
1	2	3
1·1	State-wise Distribution of Bidi Factories in India and Average Daily Employment therein During 1965 .. .. .	3
1·2	Number of Bidi Factories and Workers Employed therein in the Frame, Sample, etc. .. .. .	5
2·1	Estimated Percentage Distribution of Workers by Broad Occupational Groups .. .. .	7
2·2	Estimated Percentage Distribution of Workers by 'Covered' and 'Not Covered' Categories under the Factories Act, 1948 .. .. .	9
2·3	Estimated Proportion of Women Workers .. .. .	10
2·4	Estimated Percentage Distribution of 'Production and Related Workers' by Method of Payments .. .. .	12
2·5	Estimated Percentage of Factories Employing Contract Labour .. .. .	13
2·6	Estimated Percentage Distribution of 'Production and Related Workers' by Employment Status .. .. .	14
2·7	Estimated Percentage Distribution of 'Production and Related Workers' Employed Directly According to Length of Service .. .. .	15
3·1	Estimated Average Daily Earnings of Workers by Broad Occupational Groups .. .. .	18
3·2	Average Daily Earnings of All Workers by Components .. .. .	19
4·1	Daily Hours of Work .. .. .	24
4·2	Estimated Percentage Distribution of Factories According to Duration of Spread-over and Rest-Interval .. .. .	25
4·3	Estimated Percentage of Factories Granting Various Types of Leave and Holidays with Pay .. .. .	28
4·4	Estimated Number of Workers Granted Earned Leave with Pay .. .. .	29
5·1	Drinking Water Facility in the Bidi Industry .. .. .	32
5·2	Estimated Percentage of Factories Providing Houses, Extent of Accommodation, etc. .. .. .	37
5·3	Estimated Percentage of Workers Allotted Houses .. .. .	38
6·1	Estimated Percentage of Bidi Factories having Provident Fund Schemes, etc. .. .. .	39
7·1	Number of Disputes Resulting in Work Stoppages, Workers Involved and Man-days lost in the Bidi Industry .. .. .	41
7·2	Estimated Percentage of Bidi Factories Where Workers were Members of Trade Unions, etc. .. .. .	42
7·3	Estimated Percentage of Bidi Factories where Standing Orders were Framed, etc. .. .. .	44
8·1	Estimated Labour Cost Per Man-day Worked .. .. .	48
8·2	Estimated Labour Cost Per Man-day Worked by Main Components .. .. .	49
8·3	Estimated Cost of Social Security Contributions Per Man-day Worked .. .. .	53
8·4	Estimated Cost of Subsidies Per Man-day Worked .. .. .	55
9·1	Salient Features of the Bidi Industry .. .. .	62



## PREFACE

Ever since India entered the industrial field over a century ago, the industrial labour in the country and its problems have been the subject of interest. From earlier emphasis on prevention of exploitation of labour, the interest has now shifted to providing them a fair deal and fuller opportunities. Surveys that bring out true conditions of labour provide a sound base to the present day approach to problems of labour in India, in the context of planned economic developments of the country.

A detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee, appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set up of the country, its basic policies and national objectives. As a result, the well-being of the working class came to be recognised as an essential factor in the long-term strategy for industrial advance and in the overall economic stability and progress of the country. The adoption of this policy has brought about a new awakening in the ranks of labour and has afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to make an appraisal of their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan. Its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This Report presents data regarding the Bidi Industry covered under the Scheme during 1965-66.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example it furnishes data separately for large and small establishments in the concerned industry, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, and provides first-hand information on certain important aspects of labour management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a Survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frame and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the industrial managements canvassed and the Bureau is

deeply indebted to them for their whole-hearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of State Labour Departments is also gratefully acknowledged.

I am also thankful to the Central Statistical Organisation, the Chief Advisor of Factories\* and the Employment Division of the Planning Commission who evinced keen interest in the Survey and rendered technical advice on various matters. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting the present round (fourth and final) of the Survey was borne by Dr. J. N. Mongia, Deputy Director, supported by other officers of the Bureau on various statistical problems arising out of the Survey. The field investigations were carried out by Sarvashri K. N. Upadhya, L. D. Khanna, R. K. Pillay, S. C. Luthra, L. K. Kanuga, G. S. Kochhar, R. K. Bhargava, Harish Prakash, R. N. Tewari, Vijay Kumar Lohumi, George Jacob, M. P. Kanaujia, Khajan Singh, A. S. Parmar, R. L. Khosla and Harjinder Singh under the supervision of Sarvashri B. S. Bhola, Padmakar Deshpande, Mahesh Chandra and R. N. Mondal.

The preparation of the preliminary draft of the Bidi Report was shared by Sarvashri Onkar Nath Misra, B. S. Bhola, Padmakar Deshpande and A. P. Mathur, Investigators Grade I. The Report as a whole was finalised by Shri Harbans Lal, Deputy Director, with the assistance of Shri H. B. L. Bhatnagar, Assistant Director and Shri Onkar Nath Misra, Investigator Grade I. Shri Bhatnagar was also responsible for supervising the manual tabulation of data. Part of the data relating to Survey of Labour Conditions in industries covered during the fourth round (1965-66) was, for the first time, tabulated by the Machine Tabulation Unit of the Bureau, under the supervision of Shri Subir Kumar Gupta, Assistant Director, Sarvashri Mohan Lal, K. C. Sharma, Kuljit Singh and D. D. Verma, Computers, assisted in computation of data. To all these I am deeply thankful.

The views expressed in this Report, if any, are not necessarily those of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), Government of India.

K. K. BHATIA  
Director

LABOUR BUREAU, SIMLA.

*Dated the 19th September, 1969.*

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\*Now designated as Director General, Factory Advice Service and Labour Institutes.

## CHAPTER I

### INTRODUCTION

India grows almost all varieties of tobacco leaf known in the world. Both in the internal economy and the export trade, Indian tobacco occupies a prominent place. In the world production of tobacco, and trade too, India is among the leading countries. The exports of raw tobacco from India during the year 1964 were valued at Rs. 22.38 crores. Export of bidi tobacco is, however, restricted to the Middle East and Far Eastern countries. More than 75 per cent. of Indian tobacco production consists of bidi, chewing, hookah and snuff tobacco which are mostly consumed locally.

#### 1.1. *Growth and Location of the Industry*

Bidi Industry occupies a very important place especially from the point of view of the large employment potential it is able to offer. It is mainly a cottage and home industry and is spread almost throughout the country, especially in rural areas. As there are no machines involved, it is very much a labour intensive industry and the rural labour especially those engaged in agriculture, who are under-employed for a major part of the year due to the seasonal nature of their occupation, find in bidi industry a useful side-occupation to augment their earnings. Another salient feature of the bidi industry is the large scale employment of women and children in view of the easy nature of work. Although while the industry is found in almost all the parts of the country, it is concentrated in Andhra Pradesh, Tamil Nadu, Mysore, Kerala, Maharashtra, Madhya Pradesh, West Bengal, Bihar, Orissa and Uttar Pradesh. In January, 1968, the industry offered employment to more than a million workers.

The industry is mostly carried on in 3 distinct forms, viz., (i) Factory on *Sardar* system, (ii), Contract or *Thekadar* system and (iii) Khep or *Gharkhata* system. In the factory system, the work of preparing bidis is done in the premises of the factory and the workers are paid by the factory management direct. In the second system, i.e., contract, the work is entrusted to a contractor who employs the workers to get the bidis rolled from the materials supplied by the management. In the Gharkhata system, the workers take tobacco and bidi leaves home, cut bidi leaves and roll them at their residence and deliver the finished bidis at an appointed place. Under this system, especially women workers manufacture bidis at home at lower rates of payment to augment the income of their families by working during spare time. It would, therefore, be appreciated that employment in the factory sector alone does not give a complete picture of the total number of workers who actually earn their livelihood through the manufacture of bidis.

In view of the partial nature of organisation in the bidi industry it was not found possible to cover workers under home system of work and the scope of the present Survey was restricted to establishments registered under the Factories Act, 1948. A perusal of the

statistics for the past few years shows that there has been generally a gradual decline in number of establishments and employment in such factories as would appear from the figures given in the following Table.

*Estimated Average Daily Employment in Working Factories in the Bidi Industry*

Year							Number of Working Factories	Estimated Average Daily Employment (in 000's)
1							2	3
1960	..	..	..	..	..	..	1,727	87
1961	..	..	..	..	..	..	1,546	79
1962	..	..	..	..	..	..	1,470	72
1963	..	..	..	..	..	..	1,477	76
1964	..	..	..	..	..	..	1,411	74
1965	..	..	..	..	..	..	1,338	68

*Source*—Returns received under the Factories Act, 1948.

According to the provisional figures available for 1967, the employment in the registered factories had further gone down to nearly 63 thousand and number of establishments to 1,253.

The above figures are exclusive of Madras State\* because bidi establishments in this State are covered under a separate Act called the Madras Beedi Industrial Premises (Regulation of Conditions of Work) Act, 1958. In exercise of the various provisions of the Act, the State Government have framed the Madras Beedi Industrial Premises (Regulation of Conditions of Work) Rules, 1959. These rules provide, *inter alia*, for licensing of bidi industrial premises, submission of a monthly return by an employer to a competent authority, the records and registers which are to be maintained, health and welfare, working hours, leave with wages, etc. But by an executive order† issued in 1960, the State Government directed all Labour Officers and Assistant Inspectors of Labour not to enforce the various provisions of the Act except those relating to issue of licences. Consequently, the employers were absolved of the statutory requirement of maintaining records and registers. The field staff was, therefore, asked to give the information available on observational part of the schedule only in case it was not possible to collect statistical information due to non-maintenance of records. In view of this, the findings of the Survey in respect of Madras State have been given in a separate note (Appendix I). The discussion in the main report relates to the labour conditions in bidi establishments in all other States except Madras.

Statement 1.1 gives State-wise details of the number of bidi factories (registered under the Factories Act, 1948) during 1965 and the workers employed therein.

\*Since named Tamil Nadu with effect from 14th January, 1969.

†Memo No. L-36189/60 dated the 9th August, 1960, issued by the Commissioner of Labour, Madras.

## STATEMENT 1.1

*State-wise Distribution of Bidi Factories in India and Average Daily Employment therein During 1965.*

State						Number of Working Factories	Average Daily Employment
1						2	3
1. Andhra Pradesh	..	..	..	..	..	441 (33·0)	15,111 (22·2)
2. Assam	..	..	..	..	..	1 (0·1)	14 (*)
3. Bihar	..	..	..	..	..	70 (5·2)	2,172 (3·2)
4. Gujarat	..	..	..	..	..	16 (1·2)	689 (1·0)
5. Kerala	..	..	..	..	..	64 (4·8)	2,096 (3·1)
6. Madhya Pradesh	..	..	..	..	..	216 (16·1)	10,919 (16·0)
7. Maharashtra	..	..	..	..	..	398 (29·8)	31,718 (46·7)
8. Mysore	..	..	..	..	..	27 (2·0)	1,151 (1·7)
9. Orissa	..	..	..	..	..	71 (5·3)	2,012 (3·0)
10. Rajasthan	..	..	..	..	..	4 (0·3)	132 (0·2)
11. Uttar Pradesh	..	..	..	..	..	6 (0·4)	234 (0·3)
12. West Bengal	..	..	..	..	..	20 (1·5)	1,621 (2·4)
13. Tripura	..	..	..	..	..	4 (0·3)	106 (0·2)
Total						1,338 (100·0)	67,975 (100·0)

\*Loss than 0·05 per cent.

NOTE—Figures shown in brackets are percentages to totals.

Source—Annual Returns received under the Factories Act, 1948.

Most of the registered factories were located in the States of Andhra Pradesh, Madhya Pradesh and Maharashtra which, taken together, accounted for about 79 per cent. of the total factories and nearly 85 per cent. of the total employment. All other factories were scattered over the rest of the country.

## 1.2. Genesis of the Survey

The first comprehensive survey of conditions of labour in various industries in India, on a country-wide basis, was conducted by the Royal Commission on Labour during 1929—31. Its report and findings



formed the basis of various ameliorative measures. After a lapse of over a decade, i.e., in 1944, the Government of India appointed another Committee, namely, the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted, in 1944-45, detailed investigations in 38 industries, including the Bidi, Cigar and Cigarette industries and, besides a main report on labour conditions in general, published individual reports in respect of various industries. The Committee's reports proved to be a useful source of information required for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions of workers and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and increase in wages of workers in various industries. Above all, the attainment of Independence by the country gave a new status to the working class. In view of these developments, the Ministry of Labour, Government of India as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted so that it may be possible to assess the effects of the various measures adopted in the past and to obtain a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan and the Labour Bureau was entrusted with its execution. The scheme drawn up by the Bureau envisaged coverage of 46 industries\* according to a phased programme in four rounds. Bidi Industry was one of the 18 industries covered during the fourth and final round (1965-66) of the Survey of Labour Conditions.

### 1.3. Scope and Design

A note given as Appendix II of this Report spells out the details relating to the sample design and method of estimation adopted. As already mentioned in view of the absence of a complete list of all bidi factories in the country, the scope of the Survey was restricted to establishments registered under the Factories Act, 1948. The list of registered factories for the year 1963 was used as the frame for the Survey except in case of Andhra Pradesh and Maharashtra for which the list related to the year 1962. Since the list indicated high concentration of bidi factories in Andhra Pradesh, Maharashtra and Madhya Pradesh, it was considered desirable to obtain separate information for them and hence they were treated as separate regional strata. All other bidi factories or areas (excluding Madras State)† were clubbed together to form the Residual Group. Since the past experience of the Surveys in other industries had shown that wide variations existed in conditions of work, standards of welfare, amenities, etc., in the units of different size-groups, it was felt that it would be useful to have separate data for units of different

\*The names of 46 industries selected are given in the Preface (P-III) of the Report on Survey of Labour Conditions in Silk Factories in India.

†Since named Tamil Nadu with effect from 14th January, 1969.

sizes. It was, therefore, decided that for purposes of the Survey, units of the Industry should be divided into two size-groups, large and small. For this purpose, the cut-off point chosen was 50 which was approximately equal to the average size of employment per factory. The sampling fraction adopted was 25 per cent for large-size and 16.7 per cent. for small-size factories.

Statement 1.2 shows the number of *bidi* factories together with the number of workers employed therein (a) in the frame, (b) in the sample selected and (c) in the sample actually covered.

### STATEMENT 1.2

*Number of Bidi Factories and Workers Employed therein in the Frame, Sample, etc.*

Centre	In the Frame		In the Sample Selected		In the Sample Ultimately Covered	
	Number of Factories	Number of Workers Employed	Number of Factories	Number of Workers Employed	Number of Factories	Number of Workers Employed
1	2	3	4	5	6	7
1. Andhra Pradesh ..	460	16,882	82 (17.8)	3,539 (21.0)	62 (13.5)	2,909 (17.2)
Large Factories ..	59	4,589	15 (25.4)	1,330 (29.0)	11 (18.6)	1,045 (22.8)
Small Factories ..	401	12,293	67 (16.7)	2,209 (18.0)	51 (12.7)	1,864 (15.2)
2. Maharashtra ..	397	33,150	80 (21.7)	8,270 (24.9)	76 (19.1)	7,382 (22.3)
Large Factories ..	228	28,248	57 (25.0)	7,512 (26.6)	51 (22.4)	6,684 (23.7)
Small Factories ..	169	4,902	29 (17.2)	758 (15.5)	25 (14.8)	698 (14.2)
3. Madhya Pradesh ..	217	10,973	42 (19.4)	2,843 (25.9)	37 (17.0)	2,573 (23.4)
Large Factories ..	57	6,260	15 (26.3)	2,073 (33.1)	14 (24.0)	1,973 (31.5)
Small Factories ..	160	4,713	27 (16.9)	770 (16.3)	23 (14.4)	600 (12.7)
4. Residual (excluding Madras)	360	13,375	66 (18.3)	2,747 (20.5)	44 (12.2)	2,072 (15.5)
Large Factories ..	61	5,893	16 (26.2)	1,540 (26.1)	14 (23.0)	1,345 (22.8)
Small Factories ..	299	7,482	50 (16.7)	1,207 (16.1)	30 (10.0)	727 (9.7)
5. All-India (excluding Madras)	1,434	74,380	276 (19.2)	17,399 (23.4)	219 (15.3)	14,936 (20.1)
Large Factories ..	405	44,990	103 (25.4)	12,455 (27.7)	90 (22.2)	11,047 (24.6)
Small Factories ..	1,029	29,390	173 (16.8)	4,944 (16.8)	129 (12.5)	3,889 (13.2)

NOTE—Figures in brackets are percentage to the respective totals in the frame.

It would appear from the Statement that the Survey ultimately covered nearly 15 per cent. of the *bidi* factories and about 20 per cent. of the workers employed therein. Since only those factories came in the sample as featured in the frame and as it was not possible to take account of the new factories which came into being during the period of the Survey, the information given in this Report should be treated to relate to the factories which were in existence during the period to which the frame relates i.e., 1962-63 and which continued to exist at the time of the Survey i.e., 1965-66.

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959, before taking up the first round of the Survey of Labour Conditions in December, 1959. On the basis of the pilot enquiry as well as the experience gained during the earlier three rounds of the Survey, some major changes were carried out in the schedule\* used for the collection of data in the fourth round of the Survey. For example, information pertaining to absenteeism, labour turnover, pay period, earnings of Production Workers and All Workers, etc. was not collected during the fourth round as such information was already being collected under other schemes of the Bureau, viz., Occupational Wage Survey, Annual Survey of Industries, etc. Some minor changes in the block relating to Works Committees were also carried out.

The field enquiry was launched in April, 1965 and was completed in February, 1966. As such, except where otherwise specified, the data should be treated to relate to the period of the Survey, i.e., 1965-66.

\*The schedule used for the Survey has been given in the Report on Survey of Labour Conditions in Artificial Manure Factories in India (1965-66).

## CHAPTER II

### EMPLOYMENT

During the course of the present Survey, with a view to ensuring comparability as well as uniformity of statistics collected from different sampled establishments, data pertaining to the composition of the working force were collected as on a fixed date, i.e., March 31, 1965. The Survey results show that, on this date, the estimated total number of workers employed in the Bidi factories registered under the Factories Act, 1948, in the country *excluding Madras* was about 64.4 thousand. This estimate, however, differs from the similar figures collected under the Factories Act, 1948 (i.e., about 68 thousand) for the year 1965. The main reason for the difference between the two figures is that whereas the former relates to a particular point of time, the Factories Act figures represents the average daily employment for the whole year.

#### 2.1. Composition of the Working Force

##### 2.1.1. Distribution of Working Force by Broad Occupational Groups.

For purposes of the present Survey, the internationally accepted classification\* of workers was followed, according to which the workers in the Industry have been classified into the following categories:—

- (i) Professional, Technical and Related Personnel.
- (ii) Administrative, Executive and Managerial Personnel.
- (iii) Clerical and Related Workers (including supervisory).
- (iv) Production and Related Workers (including supervisory).
- (v) Watch and Ward and Other Services.

Statement 2.1 gives details in respect of the proportion of workers in different occupational groups as revealed by the Survey.

#### STATEMENT 2.1

##### *Estimated Percentage Distribution of Workers† by Broad Occupational Groups (Aest March, 1965)*

Centro	Total Number of Workers (Estimated)	Estimated Percentage of Workers				
		Profess- ional, Technical and Related Personnel	Adminis- trative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervi- sory)	Prodn- tion and Related Workers (including Supervi- sory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. Andhra Pradesh	.. 13,874	0.1	1.7	0.5	96.9	0.8
Large Factories	.. 3,404	—	0.8	0.6	97.7	0.9
Small Factories	.. 10,470	0.1	2.0	0.5	96.7	0.7
2. Maharashtra	.. 29,843	0.2	1.3	1.4	96.3	0.8
Large Factories	.. 24,206	0.1	0.9	0.9	97.7	0.4
Small Factories	.. 5,637	0.5	2.9	3.6	90.3	2.7

\*International Standard Classification of Occupations.

STATEMENT 2.1—*contd.*

	1	2	3	4	5	6	7
3. Madhya Pradesh ..	10,768	0.1	1.7	3.9	93.0	1.3	
Large Factorios ..	5,260	0.1	0.7	2.4	95.9	0.9	
Small Factorios ..	5,508	—	2.6	5.5	90.3	1.6	
4. Residual (excluding Madras)	9,879	0.6	2.2	4.7	89.9	2.6	
Large Factorios ..	4,583	0.3	1.1	4.2	92.3	2.1	
Small Factorios ..	5,296	0.9	3.1	5.2	87.8	3.0	
5. All-India (excluding Madras)	64,364	0.2	1.6	2.2	94.9	1.1	
Large Factorios ..	37,453	0.1	0.9	1.5	96.8	0.7	
Small Factorios ..	26,911	0.3	2.5	3.1	92.3	1.8	

† 'Covered' as well as 'Not Covered' under the Factories Act, 1948.

The Statement shows that the working force in the Bidi factories comprised predominantly of 'Production and Related Workers (including Supervisory)' who accounted for about 95 per cent. of the total employment. The proportion of workers belonging to this group did not vary widely from one centre to another, the range being from 89.9 per cent. in the Residual Group (excluding Madras) to 96.9 per cent. in Andhra Pradesh. The remaining 5 per cent. of the working force was distributed among other group. The proportion of persons belonging to the group 'Professional, Technical and Related Personnel' was, however, negligible.

#### 2.1.2. *Distribution of Workers by 'Covered' and 'Not Covered' Categories under the Factories Act, 1948.*

The Factories Act, 1948, defines worker as a "person employed directly or through any agency, whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises used for a manufacturing process, or in any other kind of work incidental to or connected with the manufacturing process, or the subject of manufacturing process .....". During the course of the Survey, it was observed that there was no uniformity with regard to the interpretation of the above definition of worker and, consequently while some units had included certain categories of employees among those covered under the Factories Act, others tended to exclude them. Such workers as were not covered under the Factories Act, 1948, constituted only about 6 per cent. of the total working force in the Bidi Industry (excluding Madras State). Among the different occupational groups, the proportion of such workers was the highest (about 72 per cent.) in the group 'Administrative, Executive and Managerial Personnel' and the lowest (about 4 per cent.) in the group 'Production and Related Workers (including Supervisory)' at the all-India level. Details of workers 'covered' and 'not covered' in different broad occupational groups are given in Statement 2.2.

# STATEMENT 2.2

## Estimated Percentage Distribution of Workers by 'Covered' and 'Not Covered' Categories under the Factories Act, 1948. (31st March, 1965)

Centre	Professional, Technical and Related Personnel		Administrative, Executive and Managerial Personnel		Clerical and Related Workers (including Supervisory)		Production and Related Workers (including Supervisory)		Watch and Ward and other Services		Total	
	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Andhra Pradesh	69.2	30.8	29.4	70.6	71.0	29.0	99.2	0.8	76.6	23.4	97.7	2.3
Large Factories	—	—	29.6	70.4	60.0	40.0	96.9	3.1	50.0	50.0	95.7	4.3
Small Factories	69.2	30.8	29.4	70.6	75.0	25.0	99.9	0.1	88.0	12.0	98.3	1.7
2. Maharashtra	100.0	—	27.6	72.4	88.2	11.8	99.9	0.1	93.2	6.8	98.8	1.2
Large Factories	100.0	—	26.0	74.0	80.2	19.8	100.0	*	82.8	17.2	99.1	0.9
Small Factories	100.0	..	29.7	70.3	97.0	3.0	99.6	0.4	100.0	—	97.6	2.4
3. Madhya Pradesh	—	100.0	38.9	61.1	80.6	19.4	83.2	16.8	34.3	65.7	81.6	18.4
Large Factories	—	100.0	35.9	64.1	67.2	32.8	92.8	7.2	41.3	58.7	91.2	8.8
Small Factories	—	—	39.7	60.3	86.1	13.9	73.4	26.6	30.8	69.2	72.6	27.4
4. Residual (excluding Madras)	20.3	79.7	19.4	80.6	44.6	55.4	96.0	4.0	36.0	64.0	89.8	10.2
Large Factories	50.0	50.0	19.2	80.8	25.5	74.5	96.4	3.6	29.5	70.5	91.1	8.9
Small Factories	12.0	88.0	19.4	80.6	58.1	41.9	95.5	4.5	39.9	60.1	88.8	11.2
5. All-India (excluding Madras)	53.5	46.5	28.3	71.7	70.4	29.6	96.4	3.6	60.8	39.2	94.3	5.7
Large Factories	66.7	33.3	26.4	73.6	57.8	42.2	98.3	1.7	53.3	46.7	96.7	3.3
Small Factories	48.4	51.6	29.2	70.8	78.9	21.1	93.7	6.3	65.0	35.0	91.0	9.0

\* Less than 0.05 per cent

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The Statement shows that the proportion of workers not covered under the Act was significantly higher (about 18 per cent.) in Madhya Pradesh and quite so in the Residual group too (about 10 per cent.).

A further examination of the data would show that of the total number of about 60.7 thousand workers covered under the Factories Act, 1948, about 97 per cent. belonged to the group 'Production and Related Workers; about 2 per cent. to the group 'Clerical and Related Workers' and the remaining about 1 per cent to the group 'Watch and Ward and Other Services'. The Proportion of 'Professional, Technical and Related Personnel' and 'Administrative, Executive and Managerial Personnel' was negligible. Similarly, the break-up of the total number of about 3.7 thousand workers 'not covered' under the Act was 59, 11, 8, 2 and 20 per cent. respectively, for the above mentioned groups.

## 2.2. Employment of Women

Employment of women was quite common in the Bidi Industry. Women workers were employed in about 59.5 per cent of the factories in the country (excluding Madras) and they formed about half of the total working force. Even the Labour Investigation Committee had reported that during 1944-45, a large proportion of the workers in the bidi factories were women as their percentage to total employment was 40 in Central Provinces and 30 in South India. Statement 2.3 gives details regarding employment of women workers in the Bidi factories during March, 1965.

**STATEMENT 2.3**  
*Estimated Proportion of Women Workers*  
*(31st March, 1965)*

Centro	Number of Factories†	Percentage of Factories Employing Women	Total Number of Workers*	Percentage of Women Workers (of Col. 4)	Percentage of Women Workers to the Total Number of Women Workers in the Industry
1	2	3	4	5	6
1. Andhra Pradesh	.. 320	93.4	13,874	81.6	36.2
Large Factories	.. 52	100.0	3,404	87.8	15.5
Small Factories	.. 268	92.2	10,470	79.6	69.5
2. Maharashtra	.. 343	74.2	29,843	55.8	53.2
Large Factories	.. 199	90.2	24,206	60.9	76.4
Small Factories	.. 144	52.0	5,637	34.0	16.0
3. Madhya Pradesh	.. 197	36.0	10,768	22.8	7.8
Large Factories	.. 51	64.3	5,260	27.6	7.5
Small Factories	.. 146	26.1	5,508	18.3	8.4

## STATEMENT 2.3—Contd.

1	2	3	4	5	6
4. Residual (excluding Madras)	239	12.4	9,879	8.7	2.8
Large Factories	50	21.4	4,583	2.7	0.6
Small Factories	189	10.0	5,296	14.0	6.2
5. All India (excluding Madras)	1,099	59.5	64,364	48.6	100.0
Large Factories	352	78.1	37,453	51.5	100.0
Small Factories	747	50.7	26,911	44.6	100.0

\*Both 'Covered' and 'Not Covered' under the Factories Act, 1948.

†This number does not tally with the number of factories in Statement 1.2. The difference is due to the fact that certain factories were found closed at the time of the Survey.

It will be seen from the Statement (2.3) that about 53 per cent. of the total number of women workers in the industry were employed in Maharashtra, about 36 per cent. in Andhra Pradesh, about 8 per cent. in Madhya Pradesh and the rest (i.e., 3 per cent.) in the Residual Group (excluding Madras). Generally speaking women were employed more in large factories than in small ones.

Data in respect of the distribution of women workers into various occupational groups were also collected during the Survey. Almost all the women (about 99.6 per cent.) were employed as 'Production and Related Workers'. The departments in which they were engaged were bidi rolling, packing and labelling. The rest of the women (i.e., about 0.4 per cent.) were employed as sweepers, water carriers, etc. The reasons generally advanced by the managements for the employment of women workers were light nature of work and their suitability for the jobs they were engaged on. Easy availability of women labour was also another reason.

### 2.3. Child Labour

According to the Labour Investigation Committee (1944-45), the proportion of children employed in *Bidi* factories varied from 7 to 29 per cent. at different centres. The present Survey has revealed that about 8 per cent. of the *Bidi* factories in Andhra Pradesh and about 7 per cent. of the factories in Madhya Pradesh, together comprising about 4 per cent. of the *Bidi* factories in the country, (excluding Madras) were found to have employed an estimated total of 107 children. The children were employed as *Bidi* rollers, packers and for drying the *bidi* in the sun. The reasons for employment of child labour were generally light nature of work and their easy availability.

### 2.4. Time-rated and Piece-rated Workers

During the present Survey, data were collected in respect of the distribution of Production Workers by method of payment, i.e., time-rated and piece-rated workers, and the statistics are given in Statement 2.4.



STATEMENT 2.4

*Estimated Percentage Distribution of 'Production and Related Workers (including Supervisory)'  
by Method of Payment  
(31st March, 1965)*

Centre	Total Number of Production Workers*	Distribution of Workers into			Percentage Distribution of Workers by Sex and Method of Payment					
		Time- rated	3	4	Men		Women		Children	
					Time-rated	Piece-rated	Time-rated	Piece-rated	Time-rated	Piece-rated
1	2	3	4	5	6	7	8	9	10	
1. Andhra Pradesh	13,340	4.1	95.9	25.4	74.6	0.2	99.8	15.0	85.0	
Large Factories	3,223	2.7	97.3	31.2	68.8	0.3	99.7	—	—	
Small Factories	10,117	4.5	95.5	24.6	75.4	0.1	99.9	15.0	85.0	
2. Maharashtra	23,722	7.5	92.5	17.1	82.9	0.5	99.5	—	—	
Large Factories	23,653	4.2	95.8	10.4	89.6	0.5	99.5	—	—	
Small Factories	5,069	22.5	77.5	35.9	64.1	—	100.0	—	—	
3. Madhya Pradesh	8,330	20.5	79.5	21.6	78.4	17.3	82.7	—	100.0	
Large Factories	4,679	15.8	84.2	12.5	87.5	25.4	74.6	—	100.0	
Small Factories	3,651	26.6	73.4	31.8	68.2	—	100.0	—	100.0	
4. Residual (excluding Madras)	8,522	14.9	85.1	16.4	83.6	0.7	99.3	—	—	
Large Factories	4,080	14.2	85.8	14.6	85.4	—	100.0	—	—	
Small Factories	4,442	15.5	84.5	18.4	81.6	0.8	99.2	—	—	
5. All-India (excluding Madras)	58,914	9.6	90.4	18.5	81.5	1.3	98.7	8.4	91.6	
Large Factories	35,635	6.8	93.2	12.1	87.9	2.1	97.9	—	100.0	
Small Factories	23,279	14.0	86.0	27.6	72.4	0.1	99.9	10.2	89.8	

\*'Covered' under the Factories Act, 1948, including Contract Labour.

Though both the systems of payment were prevalent in the Industry but payment by piece-rates predominated inasmuch as about 90 per cent of the production workers were paid on this basis. Even from the Report of the Labour Investigation Committee it appears that, during 1944-45 also workers in the *Bidi* factories were employed mostly on piece-rates. The rest of the workers were all time-rated. The proportion of the workers employed on piece-rate basis was the highest (about 96 per cent.) in Andhra Pradesh and the lowest (about 80 per cent.) in Madhya Pradesh.

### 2.5. Contract Labour

Employment of Workers through contractors was not common in the *Bidi* factories. The present Survey has revealed that only about 2 per cent. of the 'Production and Related Workers' were found to have been employed through contractors in about 4 per cent. of the factories in the country excluding Madras. Contract labour was employed in a few factories in Maharashtra and the Residual Group only. Details appear in Statement 2.5.

**STATEMENT 2.5**  
**Estimated Percentage of Factories Employing Contract Labour**  
**(31st March, 1965)**

Centre	Number of Factories	Percentage of Factories Employing Contract Labour	Total Number of Production Workers* in the Industry	Number of Production Workers Employed through Contractors
1	2	3	4	5
1. Andhra Pradesh..	320	—	13,340	—
Large Factories ..	52	—	3,223	—
Small Factories ..	268	—	10,117	—
2. Maharashtra ..	343	1.1	28,722	68
Large Factories ..	199	2.0	23,653	68
Small Factories ..	144	—	5,069	(0.3)
3. Madhya Pradesh ..	197	—	8,330	—
Large Factories ..	51	—	4,679	—
Small Factories ..	146	—	3,651	—
4. Residual (excluding Madras)	239	15.0	8,522	975
Large Factories ..	50	21.4	4,080	(11.4)
Small Factories ..	189	13.3	4,442	538
				(13.2)
5. All-India (excluding Madras)	1,099	3.6	58,914	437
Large Factories ..	352	4.2	35,635	(9.8)
Small Factories ..	747	3.4	23,279	1,043
				(1.8)
				606
				1.7
				437
				(1.9)

\*'Covered' under the Factories Act, 1948.

NOTE —Figures within brackets in column 5 are percentages to those in column 4.

Contract labour, wherever employed, was usually engaged on jobs like wrapping, labelling and packing, etc. of *bidi*s. The main reason put forth by the managements for the employment of contract workers was that it was more economical than direct labour.

## 2.6. System of Recruitment

The Labour Investigation Committee reported that there was no special system of recruitment of workers at the time of their inquiry. Generally, the boys who started as helpers took to *bidi* making as a vocation when they grew up. However, the workers were mostly recruited at the factory gates. According to the present Survey also, about 92 per cent. of the workers in the *Bidi* Industry excluding Madras were found to have been recruited directly at the factory gate itself. The rest of the workers were recruited through other system viz., by contracts, by the head office. etc. In none of the units surveyed was recruitment made through intermediaries.

## 2.7. Employment Status

The Labour Investigation Committee at the time of their Enquiry had found that workers in the *Bidi* factories were mostly temporary. This was so because of the prevalence of piece-rate system. During the course of the present Survey, information pertaining to the classification of directly employed 'Production and Related Workers' into different categories according to employment status, i.e., permanent, temporary, probationers, etc. was collected and the same is presented in Statement 2.6. For purposes of classification of workers into permanent, temporary, probationers, *badli*, etc., the definitions as contained in the Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946, or some of the State Acts, were relied upon. However, since these Acts apply to only those establishments which employ more than a certain number of workers, many of the *Bidi* factories had not framed any Standing Orders. In their case, reliance was placed on the version of the managements.

### STATEMENT 2.6

*Estimated Percentage Distribution of 'Production and Related Workers (including Supervisory)' by Employment Status (31st March, 1965)*

Centre	Total Number of Production Workers*	Percentage Distribution of Workers					
		Perma- nent	Proba- tioners	Tempo- rary	<i>Badli</i>	Casual Workers	Appren- tices (Paid or unpaid)
1	2	3	4	5	6	7	8
1. Andhra Pradesh ..	13,340	19.0	—	81.0	—	—	—
Large Factories ..	3,223	28.4	—	71.6	—	—	—
Small Factories ..	10,117	16.0	—	84.0	—	—	—
2. Maharashtra ..	28,654	13.3	—	86.4	—	0.3	—
Large Factories ..	23,585	8.6	—	91.1	—	0.3	—
Small Factories ..	5,069	35.3	—	64.7	—	—	—

## STATEMENT 2.6—contd.

	1	2	3	4	5	5	7	8
3. Madhya Pradesh .. ..	8,330	55.4	—	44.6	—	—	—	—
Large Factories .. ..	4,679	70.5	—	29.5	—	—	—	—
Small Factories .. ..	3,651	36.0	—	64.0	—	—	—	—
4. Residual (excluding Madras)	7,547	21.4	—	78.6	—	—	—	—
Large Factories .. ..	3,542	13.9	—	86.1	—	—	—	—
Small Factories .. ..	4,005	28.0	—	72.0	—	—	—	—
5. All-India (excluding Madras)	57,871	21.7	—	78.1	—	0.2	—	—
Large Factories .. ..	35,029	19.2	—	80.6	—	0.2	—	—
Small Factories .. ..	22,842	25.6	—	74.4	—	—	—	—

\*'Covered' under the Factories Act, 1948 and employed direct.

It is estimated that only about 22 per cent. of the Production Workers were permanent and about 78 per cent. were temporary. The proportion of casual workers was negligible. The proportion of permanent workers was the highest (about 55 per cent) in Madhya Pradesh and the lowest (about 13 per cent.) in Maharashtra. Casual workers were found to have been employed in only one large factory surveyed in Maharashtra. This factory had made no attempts to systematise or regulate the employment of casual workers. Probationers, Badlis and apprentices were not employed in any of the units surveyed.

## 2.8. Length of Service

A study of distribution of directly employed 'Production and Related Workers' according to length of service was made during the present Survey. Wherever managements maintained records showing the date of appointment of their employees (i.e., service cards, leave records, etc.), the information was collected from such records, but in their absence, the version of the management was relied upon. Data collected are presented in Statement 2.7.

## STATEMENT 2.7

*Estimated Percentage Distribution of 'Production and Related Workers (including Supervisory)' According to length of Service (31st March, 1965)*

Contro	Total Number of Produ- tion Workers*	Percentage Distribution of Workers with Length of Service of				
		Under 1 year	1 year and more but under 5 years	5 years and more but under 10 years	10 years and more but under 15 years	15 years and above
1	2	3	4	5	6	7
1. Andhra Pradesh .. ..	13,340	53.7	35.2	9.5	0.9	0.7
Large Factories .. ..	3,223	33.3	55.9	10.8	—	—
Small Factories .. ..	10,117	60.2	28.7	9.0	1.2	0.9
2. Maharashtra .. ..	28,654	71.1	14.6	8.0	3.5	2.8
Large Factories .. ..	23,585	76.0	12.8	5.7	2.9	2.6
Small Factories .. ..	5,069	48.1	23.2	19.1	6.4	3.2

STATEMENT 2.7—*contd.*

		1	2	3	4	5	6	7
3. Madhya Pradesh	..	8,330	21.0	30.4	26.4	14.1	8.1	
Large Factories	..	4,679	25.0	21.1	30.5	16.9	6.5	
Small Factories	..	3,651	16.0	42.2	21.2	10.6	10.0	
4. Residual (excluding Madras)		7,547	70.8	13.7	7.0	2.3	6.2	
Large Factories	..	3,542	83.1	9.3	1.3	0.4	5.9	
Small Factories	..	4,005	59.9	17.6	12.2	3.9	6.4	
5. All-India (excluding Madras)		57,871	59.8	21.5	10.9	4.3	3.5	
Large Factories	..	35,029	66.0	17.5	9.0	4.3	3.2	
Small Factories	..	22,842	50.4	27.7	13.8	4.3	3.8	

\*Covered under the Factories Act, 1948 and employed direct.

About 60 per cent. of the production workers in the Industry excluding Madras had less than one year's service as on 31st March, 1965, and only about 8 per cent. had put in more than 10 years' service on this date. As between the different centres, in Maharashtra, Andhra Pradesh and the Residual Group, more than half of the workers had under 1 year's service whereas in Madhya Pradesh, the proportion of such workers was only 21 per cent. The working force appears to have been more stable in Madhya Pradesh where about 22 per cent. of the workers had 10 years' or more of service to their credit on the specified date as against 8.5 per cent. of the workers in the Residual Group, about 6 per cent. in Maharashtra and nearly 2 per cent. in Andhra Pradesh.

## 2.9. Absenteeism and Labour Turnover

As mentioned earlier, during the present Survey, statistical data pertaining to absenteeism and labour turnover were not collected because such information had already been collected separately by the Bureau under the Annual Survey of Industries and it was expected that the same could be utilised for this Report also. Since the data collected during the Annual Survey of Industries 1964 are still in the processing stage, no use could be made of them in this Report. However, during the present Survey, an attempt was made to have a general idea about the measures and steps taken by the managements to reduce absenteeism and labour turnover. The information collected has revealed that only about 4 per cent. of the *Bidi* factories, comprising about 3 per cent. of the factories in Andhra Pradesh, about 6 per cent. in Maharashtra and about 8 per cent. in Madhya Pradesh had taken some steps to reduce absenteeism. The measures were generally in the shape of disciplinary action against habitual absentees or deduction of wages.

As regards labour turnover, none of the units surveyed had taken any measures for reducing labour turnover.

The units which did not take any measures to reduce absenteeism or labour turnover were presumably those units where either the managements did not deem such measures of much avail or where the problem of absenteeism or labour turnover was not of any significant proportions.

#### 2.10. *Training and Apprenticeship*

Training and apprenticeship facilities did not exist in any of the Bidi factories surveyed in the Industry excluding Madras.

## CHAPTER III

### WAGES AND EARNINGS

During the course of the present Survey, no attempt was made to collect data on wage rates for individual occupations as well as wage revisions since this information had already been collected by the Bureau under the Second Occupational Wage Survey (1963—65).

#### 3.1. Earnings

##### 3.1.1. Average Daily Earnings of Different Categories of Workers

As mentioned earlier, in order to avoid duplication in the collection of data, information relating to earnings and pay-period in respect of production workers and all workers was not collected during the present Survey as the same was already available in the Bureau, having been collected under the Second Occupational Wage Survey (1963—65). Since the data collected under the Second Occupational Wage Survey are yet being processed, it has not been possible to incorporate the same in this Report. The data on earnings collected during the present Survey, therefore, relate to only four categories of workers, viz., Professional, Technical and Related Personnel, Administrative, Executive and Managerial Personnel, Clerical and Related Workers (including Supervisory) and Watch and Ward and Other Services. This information relates to the pay-period immediately preceding the specified date, i.e., 31st March 1965, and is in respect of workers covered under the Factories Act, 1948. Statement 3.1 shows the average daily earnings of the different categories of workers during March, 1965.

#### STATEMENT 3.1

*Estimated Average Daily Earnings of Workers\* by Broad Occupational Groups  
(March, 1965)*

		In Rupees			
Centre		Professional, Technical and Related Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervisory)	Watch and Ward and Other Services
1		2	3	4	5
1. Andhra Pradesh	..	4.15	2.78	3.85	0.90
Large Factories	..	—	3.13	4.29	0.72
Small Factories	..	4.15	2.73	3.74	1.03
2. Maharashtra	..	3.66	7.97	3.97	2.92
Large Factories	..	3.14	6.51	3.41	2.41
Small Factories	..	3.97	9.57	4.35	3.17
3. Madhya Pradesh	..	—	5.06	3.37	2.03
Large Factories	..	—	4.54	3.39	1.82
Small Factories	..	—	5.19	3.37	2.17
4. Residual (excluding Madras)	..	3.00	10.63	4.40	3.94
Large Factories	..	3.30	10.23	4.17	2.33
Small Factories	..	2.68	10.73	4.47	4.68
5. All-India (excluding Madras)	..	3.60	6.38	3.85	2.83
Large Factories	..	3.18	6.20	3.55	2.10
Small Factories	..	3.83	6.46	3.98	3.20

\*Covered under the Factories Act, 1948.

It will be seen from the Statement (3.1) that the average daily earnings of workers belonging to the group 'Administrative, Executive and Managerial Personnel' were the highest (Rs. 6.38) and those of 'Watch and Ward and Other Services' the lowest (Rs. 2.83). Workers belonging to the categories 'Professional, Technical and Related Personnel' and 'Clerical and Related Workers' (including Supervisory) earned on an average Rs. 3.60 and Rs. 3.85 per day respectively. It is significant to note that, at the All-India level, the earnings of all the four categories of workers in small factories were higher than those of their counterparts in large factories.

The pay-period was generally a month for all the four categories of workers.

### 3.1.2. Average Daily Earnings of All Workers

Statement 3.2 shows the average daily earnings, by components, of all workers during 1965 in Bidi factories in the country, as a whole. The information is based on returns received under the Payment of Wages Act, 1936, and relates to employees earning less than Rs. 400 per month and employed in factories as defined under Section 2(m) of the Factories Act, 1948 i.e., factories employing (i) 10 or more workers and using power and (ii) 20 or more workers and not using power. It may be mentioned that since the data have been compiled for factories submitting returns, they are subject to errors of non-response. Under the Payment of Wages Act, 1936, figures are separately collected for total earnings (before deductions) of employees covered under the Act and the corresponding total man-days worked. Average daily earnings were derived by dividing the former by the latter.

#### STATEMENT 3.2

#### *Average Daily Earnings of All Workers by Components (1965)*

Component						Average Daily Earnings	Percentage
1						2	3
						Rs.	P.
1. Basic Wages	..	..	..	..	..	2.25	97.8
2. Cash Allowances including Dearness Allowance	..	..	..	..	..	0.04	1.8
3. Bonus	..	..	..	..	..	0.01	0.4
4. Money Value of Concessions	..	..	..	..	..	—	—
5. Arrears	..	..	..	..	..	*	**
Total						2.30	100.00

\*Less than Re. 0.005.

\*\*Negligible.



Basic wages alone accounted for about 98 per cent. of the total earnings. The remaining about 2 per cent. of the earnings were on account of cash allowances and bonus. Payments on account of arrears were negligible.

### 3.2. Dearness Allowance

The findings of the Labour Investigation Committee (1944-45) had revealed that generally the practice of paying separate dearness allowance was not in vogue in the *Bidi* Industry. The present Survey results also show that dearness allowance, in addition to basic wage, was being paid in hardly 5 per cent. of the *Bidi* factories in the country (excluding Madras), out of which large factories accounted for about 6 per cent. and small factories for about 4 per cent. Among the different centres, a separate dearness allowance was being paid in about 7 per cent. of the factories in Madhya Pradesh as well as in Residual Group, while in Andhra Pradesh and Maharashtra, the relative percentage was about 3 in both the centres. At the industry level, out of the factories paying a separate dearness allowance, about 46 per cent. were paying it according to income slabs and about 34 per cent. on flat rates while in the remaining 20 per cent., it was paid on an *ad hoc* basis at the discretion of the management. In none of the units surveyed was the dearness allowance linked with the Consumer Price Index Number.

### 3.3. Production/Incentive Bonus or Pay

None of the units surveyed in the *Bidi* Industry were paying production/incentive bonus or pay to their employees.

### 3.4. Night Shift Allowance

None of the units surveyed were working night shift and, as such, there was no question of paying any night shift allowance to the workers.

### 3.5. House Rent Allowance

The Survey revealed that house rent allowance was being paid in about 2 per cent. of the factories, i.e., about 6 per cent. of the factories in Madhya Pradesh and about 5 per cent. of the factories in the Residual Group. None of the factories surveyed in Andhra Pradesh and Maharashtra were paying this allowance. It is significant to note that the system of paying house rent allowance was prevalent in only small-size factories. In Madhya Pradesh, payment of this allowance was restricted to managerial and clerical staff at rates not exceeding Rs. 25 per month. No condition was attached to such payment. In the Residual Group, house rent allowance was being paid to the managerial, clerical and supervisory staff at rates based on income slabs and varying from Rs. 10 to Rs. 25 per month, after the staff had put in one year's service.

### 3.6. *Transport/Conveyance Allowance*

Only two large factories surveyed in Maharashtra comprising about 1 per cent. of the units at the Industry level, were found paying this allowance to a few production workers (viz., Taraiwala) who were coming to work from a long distance. In one unit, the rate was Re. 0.75 per day while, in the other, it was paid at the rate of Rs. 1.50 per week.

### 3.7 *Other Cash Allowances*

A few *bidi* factories paid certain other allowances to selected categories of workers. These were in the form of meal allowance and tea allowance at the rate of Rs. 40 and Rs. 15 per month respectively and were admissible to certain categories of supervisory production workers. Such allowances were prevalent in about 5 per cent. of the factories in Andhra Pradesh, constituting only about 1 per cent. of the factories at the industry level. A few small factories in the Residual Group were paying food allowance to their managerial, clerical and supervisory personnel at rates varying between Rs. 10 and Rs. 20 per month. Local allowance at rates not exceeding Rs. 12 per month was paid to managerial, clerical, supervisory and watch and ward staff in some of the factories in the Residual Group.

### 3.8. *Bonuses*

#### 3.8.1. *Annual/Year-end Bonus*

There was no system of paying annual or year-end bonus to workers in the Bidi Industry during 1944-45 when the Labour investigation Committee conducted their Enquiry. On the basis of the information collected during the present Survey, it is estimated that about one-third of the *Bidi* factories (comprising about 38 per cent. of large and 30 per cent. of small factories) were paying annual or year end bonus to their employees. Among the different centres, the percentage of factories paying annual bonus was about 38 each in Andhra Pradesh and Maharashtra, 26 in the Residual Group and 23 in Madhya Pradesh. At the Industry level, the bonus schemes were regular in about 39 per cent. of the factories while in the remaining 61 per cent. of the factories, the schemes were *ad hoc* only. The amount of bonus paid varied from Rs. 3.12 per year to Rs. 75 in some factories and from 16 days' consolidated wages to six months' wages in others. Generally, all workers were entitled to annual bonus, but in some of the factories, this benefit was available to certain specified categories of workers like production workers, managerial personnel, etc. The conditions attached to the payment of bonus differed widely from factory to factory. For example, in one factory, it was paid to only those who worked in the month of November, in some others, only those workers were given this bonus who had worked for a specified period in the year and, in a few others, to permanent workers only.

### 3.8.2. *Festival Bonus*

During 1944-45, according to the Labour Investigation Committee only a few big *Bidi* factories in Central Province paid one month's salary as bonus to their time-rated employees on Diwali. According to the present Survey, the system of paying festival bonus was found in existence in about 16 per cent. of the *Bidi* factories, comprising about 22 per cent. of large and about 13 per cent. of small factories. Among the different centres, the percentage of factories paying festival bonus was about 29, 22, 6 and 4 in Maharashtra, Madhya Pradesh, Andhra Pradesh and Residual Group respectively. Of the factories paying festival bonus, the schemes were regular in about 19 per cent. of them while in the remaining 81 per cent. of the units, these were ad hoc only. The Survey also revealed that in about 92 per cent. of such factories, the payment of bonus depended on the discretion of the management while, in the remaining about 8 per cent. of the units, it was based on voluntary agreements between the employers and the employees. Generally, all workers were eligible for festival bonus, but in a few factories, only the time-rated or permanent workers were given this benefit. The amount of festival bonus varied widely and ranged from Rs. 5.00 to 95.00 in some factories and from 15 days' per year pay to three months' wages in others. The bonus was being paid in cash in all the factories.

### 3.8.3. *Profit-sharing Bonus*

None of the *Bidi* factories surveyed had any scheme of paying profit-sharing bonus to their employees.

### 3.9. *Fines and Deductions*

None of the units surveyed were imposing any fine on their workers. Deductions, wherever made, were in conformity with the provisions of the Payment of Wages Act, 1936.

The Survey has also shown that in about 73 per cent. of the factories in the Residual Group employing contract labour, the principal employers were exercising some control over the payment of wages to contract labour.

## CHAPTER IV

### WORKING CONDITIONS

Working conditions obtaining in industries in India have all along attracted the attention of the Government of India as well as the State Governments. As a result, significant improvements in the conditions of work owe a good deal to the legislative enactments, particularly the Factories Act, 1948. The following paragraphs describe the state of working conditions in the *Bidi* Industry as observed at the time of the Survey.

#### 4.1. Shifts

In the Report of the Labour Investigation Committee (1944-45) regarding *Bidi* Industry, there is no mention of prevalence of multiple shifts, presumably because there was only one shift working. The present Survey has also shown that all the *Bidi* factories surveyed were working only one shift which was invariably in the day.

#### 4.2 Hours of Work

The Labour Investigation Committee during the course of their Enquiry in 1944-45 had observed that there were no fixed hours of work in any of the *Bidi* factories visited by them. Work in the factories started at 8 or 9 A.M. and continued till 9 or 10 P.M. Since the passing of the Factories Act in 1948, the hours of work for adult workers have been fixed at a maximum of 48 per week and 9 per day, with a maximum spread-over of 10½ hours inclusive of rest-interval.

Data collected during the present Survey revealed that in about 96 per cent. of the *Bidi* factories daily hours of work were up to 9 and in the remaining factories, they were either more than 9 or not fixed. Details appear in Statement 4.1.

The weekly hours of work for adult workers did not exceed 48 in about 95 per cent. of the factories while in the remaining 5 per cent., these were either not fixed or were more than 48. Contract labour, wherever employed, worked up to 48 hours per week.

Children were employed in about 4 per cent. of the factories and their daily hours of work were generally 8 as against 4½ provided under the Factories Act, 1948.

As regards the practice in respect of spread-over and rest-interval in the *Bidi* factories, the data collected appear in Statement 4.2.

In 92.5 per cent. of the factories, the spread-over was up to 10 hours. Except about 6 per cent. of the factories, all others were allowing some rest-interval to their workers. In about 2 per cent. of the units where there was no specified rest-interval, it was stated that workers could take rest whenever they found time.

STATEMENT 4.1  
Daily Hours of Work  
(1965-66)

Centre	1	2	Estimated Percentage of Factories Where Daily Hours of Work for Majority of Adult Workers were					7
			Up to 8 hours	More than 8 hours and up to 9 hours	More than 9 hours and up to 10 hours	More than 10 hours	Not Fixed	
		Number of Factories	3	4	5	6		
1. Andhra Pradesh ..	..	320	98.4	—	—	1.6	—	—
Large Factories ..	..	52	100.0	—	—	—	—	—
Small Factories ..	..	268	98.0	—	—	2.0	—	—
2. Maharashtra ..	..	343	97.7	1.2	—	1.1	—	—
Large Factories ..	..	199	96.0	2.0	—	2.0	—	—
Small Factories ..	..	144	100.0	—	—	—	—	—
3. Madhya Pradesh..	..	197	100.0	—	—	—	—	—
Large Factories ..	..	51	100.0	—	—	—	—	—
Small Factories ..	..	146	100.0	—	—	—	—	—
4. Residual (excluding Madras)	..	239	80.0	5.7	8.6	—	5.7	—
Large Factories ..	..	50	100.0	—	—	—	—	—
Small Factories ..	..	189	75.0	7.1	10.7	—	7.2	—
5. All-India (excluding Madras)	..	1,099	94.7	1.5	1.8	0.8	1.2	—
Large Factories ..	..	352	97.7	1.2	—	1.1	—	—
Small Factories ..	..	747	93.3	1.7	2.6	0.7	1.7	—

**STATEMENT 4.2**  
**Estimated Percentage Distribution of Factories According to**  
**Duration of Spread-Over and Rest-Interval**  
**(1965-66)**

Centre	Number of Factories	Percentage of Factories where Spread-over for Adult Workers was					Rest-interval for Adult Workers was						
		Up to 8 hours	More than 8 hours and up to 9 hours	More than 9 hours and up to 10 hours	More than 10 hours	Not fixed	No rest interval	No $\frac{1}{2}$ hour and less than $\frac{1}{2}$ hour up to 1 hour	More than $\frac{1}{2}$ hour and up to 1 hour	More than 1 hour and up to $\frac{1}{2}$ hours	More than 2 hours	Not fixed	
1	2	3	4	5	6	7	8	9	10	11	12	13	
1. Andhra Pradesh	..	..	..	..	..	..	..	..	..	..	..	..	
Large Factories	320	11.3	72.9	14.1	1.7	—	6.4	4.9	69.6	19.1	—	—	
Small Factories	52	9.1	54.5	36.4	—	—	9.1	—	54.5	36.4	—	—	
2. Maharashtra	268	11.8	76.5	9.8	1.9	—	5.9	5.9	72.5	15.7	—	—	
Large Factories	343	4.6	61.7	24.5	9.2	—	2.3	18.9	43.5	25.6	68.0	1.7	
Small Factories	199	8.0	66.0	16.0	10.0	—	4.0	18.0	52.0	18.0	8.0	—	
3. Madhya Pradesh	144	—	56.0	36.0	8.0	—	—	20.0	32.0	36.0	8.0	4.0	
Large Factories	197	16.1	41.1	42.8	—	—	16.1	5.1	36.0	42.8	—	—	
Small Factories	51	—	71.4	28.6	—	—	—	7.1	64.3	28.6	—	—	
4. Residual (excluding Madras)	146	21.8	30.4	47.8	—	—	21.7	4.4	26.1	47.8	—	—	
Large Factories	239	11.5	43.4	25.0	14.4	5.7	2.9	7.4	56.1	25.0	2.9	5.7	
Small Factories	50	—	75.0	25.0	—	—	—	8.3	66.7	25.0	—	—	
5. All-India (excluding Madras)	189	14.3	35.7	25.0	17.9	7.1	3.6	7.1	53.6	25.0	3.6	7.1	
Large Factories	1,099	10.1	57.5	24.9	6.3	1.2	6.2	9.8	52.5	26.7	3.1	1.7	
Small Factories	352	6.0	66.2	22.1	5.7	—	3.7	12.4	56.1	23.2	4.6	—	
	747	12.1	53.5	26.1	6.6	1.7	7.3	8.7	50.8	28.3	2.4	2.5	

### 4.3 *Dust and Fumes*

Rolling of *bidis*, cleaning, weighing and distribution of tobacco to *Bidi* Rollers, etc., were reported to be some of the processes giving off considerable amount of dust in the *Bidi* factories. As a precautionary measure, all such processes had usually been isolated in all the factories. Some of the units had also installed local or general exhaust ventilation.

As regards fumes, only one small factory in Andhra Pradesh reported that it had a fume-producing process in its 'Tandoor' department. This process was isolated from other processes and, in addition, general as well as local exhaust ventilation was provided.

As regards house keeping (i.e., dusting, cleaning and arrangement of articles etc.) in the departments where processes giving off dust, fumes, etc., were being carried on, it was unsatisfactory in about 42 per cent. of the *Bidi* factories.

### 4.4 *Seating Arrangements*

Under the Factories Act, 1948, it is obligatory on the part of managements to make suitable arrangements for sitting for all such workers as are obliged to work in a standing position so that they may take advantage of any opportunity for rest which may occur in the course of their work. This aspect was enquired into during the course of the present Survey and it was found that, in about 39 per cent. of the *Bidi* factories, workers were obliged to work in a standing position. Of these, about 78 per cent. of the factories, comprising nearly 95 per cent. of the units in Maharashtra, about 83 per cent. in Andhra Pradesh, about 6 per cent. in Madhya Pradesh and about 65 per cent. in the Residual Group had made seating arrangements. In about 97 per cent. of the factories, seating arrangements existed for all the workers who were obliged to work in a standing position whereas, in the rest, they were provided for some of the workers only. The most common reason advanced by the employers for not providing seats was that the nature of work was such that it did not require such an arrangement.

### 4.5 *Conservancy*

According to the Report of the Labour Investigation Committee the position in respect of provision of latrines and urinals in the *Bidi* Industry was far from satisfactory at the time of their Enquiry in 1944-45. The Committee observed that latrines and urinals were rarely provided even where there facilities existed, they were either kept locked so that the workers could not use them or were in a very deplorable condition. The Factories Act, 1948, has made it obligatory for every factory to maintain an adequate number of latrines and urinals for the use of workers.

The Survey results show that latrines had been provided in about 58 per cent. of the *Bidi* factories, comprising about 67 per cent. large and nearly 54 per cent. small factories. The proportion of th

factories providing latrines was about 74 per cent. in Madhya Pradesh, 66 per cent. in the Residual Group, 65 per cent. in Maharashtra and about 35 per cent. in Andhra Pradesh. The latrines were of dry type pan in about 53 per cent. of the factories, water-borne septic tank type in about 7 per cent., water-borne sewer type in nearly 12 per cent. and dry-type bore hole in about 17 per cent. of the units. The remaining 11 per cent. of the factories had provided more than one type of latrines mentioned above. In about 95 per cent. of the factories having latrines, they were of permanent construction with impervious floors and tarred or plastered walls. Water taps in or near the latrines were found to have been provided in about 48 per cent. of the factories and 94 per cent. of the latrines had been screened properly to afford privacy. Among the factories employing women and providing latrines, separate arrangements for women workers existed in nearly 17 per cent. of them.

As regards urinals, the position was not so good as in the case of latrines, inasmuch as they existed in only about 38 per cent. of the Bidi factories, comprising about 51 per cent. of large size and 32 per cent. of small size factories. The proportion of such factories was the highest (about 51 per cent.) in Maharashtra and the lowest (about 23 per cent.) in the Residual Group. In Andhra Pradesh and Madhya Pradesh, their percentage was 29 and 47 respectively. The factories which had not provided separate urinals stated that the workers were using latrines or nearby open space for the purpose and as such separate urinals were not considered necessary. In about 87 per cent. of the factories having urinals, the construction of the urinals was of a permanent type. The floors of the urinals were, in general, impervious with tarred or plastered walls. About 78 per cent. of the Bidi factories having urinals had screened the facility to afford privacy. Among the factories employing women and providing urinals, separate arrangements for such workers existed in nearly 68 per cent. of them.

#### 4.6 *Leave and Holidays with Pay*

In 1944-45, when the Labour Investigation Committee conducted their Survey, there was generally no system of granting leave or holidays with pay to the workers in the Bidi factories; only time-rated workers in a few factories in Central Provinces got since leave with wages but there was no hard and fast rule and everything depended on the will of the employer. However, with the passing of the Factories Act in 1948 annual leave (i.e., earned leave) with pay is the only leave facility which is required to be granted by employers to their employees as a statutory obligation. All other types of leave facilities have come in vogue either as a result of mutual agreements between the employers and the employees or as a consequence of adjudication awards. Some of the State Governments have also passed laws for the grant of paid national and festival holidays to persons employed in industrial establishments. Statement 4.3 shows the various types of leave and holidays with pay which the workers in the Bidi factories were enjoying at the time of the present Survey.



## STATEMENT 4.3

*Estimated Percentage of Factories Granting Various Types of Leave and Holidays with Pay*

(1965-66)

Centre	Number of Factories	Percentage of Factories Granting				National and Holidays Festival
		Earned Leave	Casual Leave	Sick Leave		
1	2	3	4	5	6	
1. Andhra Pradesh ..	320	6.4	1.6	—	51.2	
Large Factories ..	52	9.1	—	—	72.7	
Small Factories ..	268	5.9	2.0	—	47.1	
2. Maharashtra ..	343	24.8	1.1	1.1	59.4	
Large Factories ..	199	19.6	2.0	2.0	64.7	
Small Factories ..	144	32.0	—	—	52.0	
3. Madhya Pradesh ..	197	33.2	1.9	—	78.3	
Large Factories ..	51	28.6	7.1	—	78.6	
Small Factories ..	146	34.8	—	—	78.3	
4. Residual (excluding Madras) .. ..	239	25.9	5.3	1.5	51.1	
Large Factories ..	50	35.7	—	7.1	42.9	
Small Factories ..	189	23.3	6.7	—	53.3	
5. All-India (excluding Madras) .. ..	1,099	21.2	2.3	3.7	58.6	
Large Factories ..	352	21.6	2.1	2.1	64.8	
Small Factories ..	747	21.0	2.4	—	55.7	

**4.6.1 Earned Leave**

About 21 per cent. of the *Bidi* factories were granting earned leave with pay to their employees (Statement 4.3). The practice was prevalent in all the centres, though to a varying degree. As regards the period of leave, qualifying conditions and rate of payment, the management generally followed the provisions of the Factories Act, 1948, but a few factories were paying 15 days wages in lieu of leave.

With a view to assessing the extent to which the workers had actually enjoyed the benefit of earned leave, data in respect of such workers were collected for the year 1964. The findings appear in Statement 4.4.

The Statement shows that only about 5 per cent. of the employees in the *Bidi* Industry had availed themselves of earned leave with pay during 1964. Of the persons who availed of leave, a majority of them i.e., about 61 per cent. took leave for ever 10 and up to 15 days.

## STATEMENT 4.4

*Estimated Number of Workers Granted Leave with Pay*  
(1964)

Centre	Average daily Number of Workers Employed	Number of Workers who Availed Leave	Percentage of Workers who Availed Leave to the Total Employed	Percentage of Workers who Availed Leave							
				Up to 5 days	Over 5 and up to 10 days	Over 10 and up to 15 days	Over 15 and up to 20 days	Over 20 and up to 25 days	Over 25 and up to 30 days	Over 30 days	
1	2	3	4	5	6	7	8	9	10	11	
1. Andhra Pradesh ..	11,655	260	2.2	—	—	92.7	7.3	—	—	—	
Large Factories ..	2,727	23	0.8	—	—	17.4	82.6	—	—	—	
Small Factories ..	8,928	237	2.7	—	—	100.0	—	—	—	—	
2. Maharashtra ..	26,708	1,282	4.8	9.6	7.5	76.0	5.0	1.1	0.8	—	
Large Factories ..	22,092	523	2.4	23.5	18.4	41.1	12.4	2.7	1.9	—	
Small Factories ..	4,616	759	16.4	—	—	100.0	—	—	—	—	
3. Madhya Pradesh ..	8,327	693	8.3	11.1	24.1	41.4	13.4	5.5	2.5	2.0	
Large Factories ..	4,394	60	1.4	—	8.3	68.3	13.4	5.0	5.0	—	
Small Factories ..	3,933	633	16.1	12.2	25.6	38.9	13.4	5.5	2.2	2.2	
4. Residual (excluding Madras)	7,433	517	7.0	13.9	16.8	33.1	6.0	27.4	3.7	—	
Large Factories ..	3,618	182	5.0	19.2	6.1	—	—	74.7	—	—	
Small Factories ..	3,815	335	8.8	9.5	22.7	51.1	9.2	1.8	5.7	—	
5. All-India (excluding Madras)	54,123	2,752	5.1	9.7	12.7	60.8	7.6	7.0	1.7	0.5	
Large Factories ..	32,831	788	2.4	20.0	14.2	33.0	11.7	19.4	1.7	—	
Small Factories ..	21,292	1,964	9.2	5.6	12.1	71.9	5.9	2.1	1.7	0.7	

#### 4.6.2 Casual Leave

The present Survey has revealed that in only about 2 per cent. of the *Bidi* factories workers were enjoying the benefit of casual leave with pay (Statement 4.3). The proportion of such factories varied from about one per cent. in Maharashtra to about 5 per cent. in the Residual Group. As regards the categories of workers entitled to leave, period of leave, etc., the practice differed not only from centre to centre but also from factory to factory within the same centre. Except in the Residual Group where the leave facility was available to all categories of workers, in other centres it was restricted to some selected categories only like time-rated workers, clerical staff and monthly-rated employees. The number of days for which casual leave was allowed in year varied from 11 to 15 in all centres except Madhya Pradesh where it was 20 days. Only in the Residual Group, permanency or completion of one year's service was an essential condition for the grant of casual leave. Everywhere, workers were paid full pay for the leave period.

#### 4.6.3 Sick Leave

During the course of the present Survey, information regarding sick leave with pay was collected from those units only where this facility was being granted by the managements, irrespective of the fact whether the unit was covered under the Employees' State Insurance Scheme or not. The Survey results show that workers in hardly one per cent. of the *Bidi* factories were enjoying the facility of sick leave with pay (Statement 4.3). Such benefits were available in a few factories at only two centres (i.e., Maharashtra and Residual Group) only. In Maharashtra, all workers were granted sick leave up to 10 days in a year with full wages. In the Residual Group, only monthly-rated production workers were granted sick leave with full wages. The number of days for which leave was allowed was not, however, fixed and depended at the discretion of the management.

#### 4.6.4 National and Festival Holidays

The practice of granting national and or festival holidays with pay existed in about 59 per cent. of the *Bidi* factories located in all the centres (Statement 4.3). As regards the number of days allowed, the practice varied from unit to unit. It was up to 5 days in a year in about 29 per cent. of the factories, 6 to 10 days in about 51 per cent. of the units, 11 to 15 days in about 14 per cent. of the units and 16 days and above in the remaining about 6 per cent. of the establishments. In Andhra Pradesh, a majority of the units allowed up to 5 holidays in a year. Generally, no condition was attached to the grant of national/festival holidays but a few factories insisted upon attendance on preceding and/or succeeding working day(s) for claiming pay for the holidays. During holidays workers were entitled to full or average wages. Generally speaking, the facility of national/festival holidays was available to all categories of workers.

#### 4.7 Weekly Off

The Labour Investigation Committee (1944-45) had remarked that usually one day in the week was observed as a closed day but some *Bidi* factories in Bengal worked all the days of the week. At the time of the present Survey, approximately 95 per cent. of *Bidi* factories were complying with the provisions of the Factories Act regarding the grant of a weekly day of rest to workers. Of these, about 62 per cent. granted weekly off with pay and the remaining about 38 per cent. without pay.

## CHAPTER V

### WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries, including India, for the last few decades. Various Committees and Commissions appointed from time to time, for enquiring into the working conditions of industrial labour in India, have never failed to pin-point the urgency and utility of ameliorative measures for promoting the welfare of workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way in improving the lot of the working class. Besides facilities provided in compliance to the law, there are many item of welfare which some of the employers have voluntarily undertaken for the benefit of their employees. A part from humanitarian considerations, the importance of the provision of welfare amenities has been increasingly recognised from the point of view of preservation of the efficiency of workers which, in turn, contributes to higher productivity.

At the time of their Enquiry during 1944-45, the Labour Investigation Committee had reported that practically no welfare measures were undertaken by the employers in the *Bidi* Industry. None of factories visited by the Committee had provided any washing facilities, canteens, rest-shelters, creches, educational and recreation facilities, housing, etc. During the present Survey, an attempt was made to assess the extent to which the *Bidi* factories in India had actually provided welfare facilities to their workers. The information collected in respect of various welfare activities (both obligatory and non-obligatory) is presented in the following paragraphs.

#### 5.1 *Drinking Water Facilities*

About 94 per cent. of the *Bidi* factories in India representing about 98 per cent. of the large and 92 per cent. of the small units, had made arrangements for the supply of drinking water to their workers in the factory premises. The proportion of such factories was the highest (about 99 per cent.) in Maharashtra and the lowest (about 87 per cent.) in the Residual Group excluding Madras. The most common arrangements was in the form of earthen pitchers which were found in about 59 per cent. of the factories. Details appears in Statement 5.1.

The factories Act, 1948, provides that every factory employing more than 250 workers should supply drinking water, cooled by ice or other effective method, during certain specified period of the year. On the basis of the information collected, it is estimated that hardly two per cent. of the *Bidi* factories were under such an obligation. All these factories belonged to the large size group, 4 of which were located in Maharashtra and one in Madhya Pradesh. Of them, only three-fifths (i.e. the one factory in Madhya Pradesh and two in Maharashtra) had actually made the arrangements. However, a large number of other factories, even though under no statutory obligation, had

**STATEMENT 5.1**  
**Drinking Water Facilities in the Bidi Industry**  
**(1965-66)**

Centre	Number of Factories	Estimated Percentage of Factories where Drinking Water facility existed	Estimated Percentage of Factories where Water was Supplied Through					Estimated Percentage of Factories having arrangements for cool Drinking Water during Summer		
			Taps only	Earthen Pitchers only	Buckets or Drums only	Combination of one or more viz., earthen pitchers, tube-wells, taps, etc.	Others*	7	8	9
1. Andhra Pradesh	..	..	3.3	54.4	18.4	15.3	8.6	15.3	8.6	8.7
Large Factories	..	93.6	10.0	—	50.0	30.0	10.0	30.0	10.0	60.0
Small Factories	..	90.9	2.1	64.6	12.5	12.5	8.3	12.5	8.3	91.7
2. Maharashtra	..	94.1	5.7	67.9	6.9	15.5	4.0	15.5	4.0	89.2
Large Factories	..	98.9	4.0	62.0	6.0	24.0	4.0	24.0	4.0	90.0
Small Factories	..	98.0	8.0	76.0	8.0	4.0	4.0	4.0	4.0	88.0
3. Madhya Pradesh	..	100.0	5.9	38.4	5.4	27.1	23.2	27.1	23.2	65.5
Large Factories	..	93.6	21.4	14.3	7.2	35.7	21.4	35.7	21.4	50.0
Small Factories	..	100.0	—	47.6	4.8	23.8	23.8	23.8	23.8	71.4
4. Residual (excluding Madras)	..	91.3	3.4	68.4	6.1	16.0	6.1	16.0	6.1	84.4
Large Factories	..	86.8	14.3	57.1	—	28.6	—	28.6	—	85.7
Small Factories	..	100.0	—	72.0	8.0	12.0	8.0	12.0	8.0	84.0
5. All-India (excluding Madras)	..	83.3	4.6	58.8	9.8	17.6	9.2	17.6	9.2	83.3
Large Factories	..	93.8	8.9	45.7	11.4	27.2	6.8	27.2	6.8	79.3
Small Factories	..	97.6	2.4	65.4	9.0	12.8	10.4	12.8	10.4	85.2
	..	92.0								

\*These were either wells or hand pumps or cemented tanks.

also made arrangements for the supply of cooled drinking water during the summer months and, thus, in the Industry as a whole (excluding Madras) such arrangements existed in about 83 per cent. of the factories as per details given in Statement 5.1 (Col. 9). Most of the factories had kept earthen pitchers for the purpose except a few large units in Andhra Pradesh where refrigerated water was being supplied.

Presumably, keeping in view the hygienic considerations, the Factories Act, 1948, prohibits the location of any drinking water point within 20 feet of latrines, urinals and washing place. It was found during the course of the Survey that in about one-tenth of the *Bidi* factories, drinking water points were located within the prohibited distance. The proportion of such factories was about 33 per cent. in Madhya Pradesh, 5 per cent. in Residual Group (excluding Madras), 3 per cent. in Andhra Pradesh and 8 per cent. in Maharashtra.

## 5.2 Washing Facilities

Under the Factories Act, 1948, it is obligatory for every factory to provide and maintain adequate and suitable washing facilities for the use of workers. The present Survey has shown that such facilities had been provided in about 35 per cent. of the factories in the country (excluding Madras) which represented about 47 per cent. of the large size and 29 per cent. of the small size factories. The proportion of such factories was the highest (about 49 per cent.) in Maharashtra and the lowest (about 16 per cent.) in Madhya Pradesh. In the remaining two centres, viz., Residual Group (excluding Madras) and Andhra Pradesh, their proportion was 41 and 27 per cent. respectively. However, in only about 46 per cent. of the factories providing washing facilities at the all-India level were they easily accessible to workers.

Arrangements for washing were in the shape of water stored in receptacles in about 34 per cent. of the factories having such facilities and in another about one-third of the factories, the workers were using well-water or water stored in brass vessels. Taps on stand pipes and wash basins with taps existed in about 19 and 2 per cent. of the factories respectively. The rest of the factories had a combination of more than one arrangements mentioned above. Some cleansing material like soap, towel, etc., was being supplied in about 35 per cent. of the factories in Andhra Pradesh, about 20 per cent. in the Residual Group (excluding Madras) and about 3 per cent. of the units in Maharashtra, together constituting about 14 per cent. of the *Bidi* factories. None of the factories surveyed in Madhya Pradesh provided any such material.

The Factories Act also provides that wherever women are employed, separate arrangements for washing should be made for them. The information collected shows that among the factories providing washing facilities and employing women workers, separate arrangements for women workers existed in only about 12 per cent. of the factories which were situated in Andhra Pradesh, Maharashtra and Residual Group. In about two-thirds of these factories, there were proper screening arrangements as well.

### 5.3 Bathing Facilities

The Survey results show that bathing facilities existed in about 5 per cent. of the *Bidi* factories in the country, comprising about 14 per cent. of the factories in the Residual Group (excluding Madras), about 7 per cent. in Maharashtra and 2 per cent. in Madhya Pradesh. In Andhra Pradesh, none of the factories surveyed had provided this facility. Of the units employing women and providing bathing facilities, about 94 per cent. had made separate arrangements for them. The condition of the bath rooms was reported to be clean in nearly nine-tenths of the factories.

### 5.4 Canteens

Under the Factories Act, 1948, State Governments have been empowered to make rules requiring that in any specified factory wherein more than 250 workers are ordinarily employed, canteen or canteens conforming to the prescribed standards should be set up for the use of workers. The Survey has revealed that, of the *Bidi* factories covered, only 5 large size units, one in Madhya Pradesh and four in Maharashtra, together constituting about two per cent. of the *Bidi* factories in the country excluding Madras, employed more than 250 workers each. But only the one factory in Madhya Pradesh had actually provided the canteen. No other unit surveyed had provided canteen on a voluntary basis. The canteen was run by a contractor and tea, coffee and snacks were sold at market rates fixed by the contractor. However, it was observed that adequate drinking water arrangements were not provided in the canteen. There was neither any canteen managing committee nor any price-list was displayed in the canteen. Location as well as hygienic conditions of the canteen were reported to be far from satisfactory. About one-fourth of the workers in the unit were visiting the canteen daily.

### 5.5 Creches

Under the Factories Act, 1948, it is obligatory for all factories employing more than 50 women workers to maintain a creche of the prescribed standard. The present Survey has revealed that though about 17 per cent. of the *Bidi* factories were employing more than 50 women workers, none of them had maintained a creche. None of the *Bidi* factories had also voluntarily provided any such facility.

### 5.6 Lockers

None of the *Bidi* factories surveyed was reported to be maintaining lockers for the use of their workers.

### 5.7 Rest Shelters

With the coming into force of the Factories Act, 1948, the maintenance of rest shelters became obligatory for every factory wherein more than 150 workers are ordinarily employed. However, if a factory is maintaining canteen of the prescribed standard, provision of a separate rest shelter is not necessary. It was observed that though about 5 per cent. of the *Bidi* factories in the country excluding Madras

were under a statutory obligation to provide rest shelters, none of them had actually done so. The reasons generally advanced by the managements of these defaulting units were that the workers were taking rest in their work places and that they had not pressed for provision of separate rest shelters. None of the *Bidi* factories had also provided rest shelters voluntarily.

### 5.8 *Recreation Facilities*

The Survey has revealed that hardly 4 per cent. of the *Bidi* factories had provided some type of recreation facilities for their employees. None of the large size factories covered in Maharashtra and the Residual Group (excluding Madras) and small-size factories covered in Madhya Pradesh had provided this facility. In about 70 per cent. of the factories providing recreation facilities, all located in Andhra Pradesh and Madhya Pradesh, the facility was in the shape of radio sets only. Nearly 16 per cent. of the factories, all located in the Residual Group (excluding Madras), had made arrangements for playing football. In the remaining 14 per cent. units, all of which were located in Maharashtra, film shows were organised. In all the factories providing recreation facilities, the cost of such facilities was being met by the employers. The game of football was restricted to certain categories of workers only such as *bidi* rollers but they were not required to pay any subscription. In the case of radio sets and cinema shows, however, all workers could join. In none of the factories, workers were associated with the management of the recreation facilities.

### 5.9 *Educational Facilities*

Only one of the large factories surveyed in Madhya Pradesh was reported to be providing educational facilities for workers' children. The factory was running a primary school which was open to all including workers' children. No fee was charged from the students nor any books or items of stationery like pencils, etc., were supplied free to the children in this school.

None of the units surveyed was running any adult education centre

### 5.10 *Medical Facilities*

#### 5.10.1 *Hospitals and Dispensaries*

None of the *Bidi* factories surveyed had maintained any dispensary or hospital for the benefit of its workers.

#### 5.10.2 *Ambulance Rooms*

Under the Factories Act, 1948, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The Survey results show that only about one per cent. of the *Bidi* factories, all of which were large size and located in Maharashtra and Madhya Pradesh, were under a statutory obligation to provide ambulance rooms but none of them had complied with law. No other factory had also provided any ambulance room voluntarily.



### 5.10.3 First-aid Boxes

The Factories Act, 1948, lays down that every factory shall maintain first-aid boxes at the rate of one for every 150 workers ordinarily employed. Standards have also been prescribed regarding the items to be provided in the first-aid boxes. The law further requires that such boxes should be kept under the charge of trained first-aiders and should be readily accessible to workers during all the working hours.

The Survey has revealed that about 71 per cent. of the *Bidi* factories in Maharashtra, 51 per cent. in Andhra Pradesh, 40 per cent. in Residual Group (excluding Madras), 15 per cent. in Madhya Pradesh, together constituting about 48 per cent. of the *Bidi* factories in the country, had provided first-aid boxes. Though it is mandatory that each first-aid box should be under the charge of a trained first-aiders, it was found that, with the exception of only 1 per cent. of the factories in the Residual Group, there were no trained first-aiders at all. All the first-aiders had received training under St. John Ambulance.

The first-aid boxes were found to be complete in respect of their contents in only about 11 per cent. of these factories, comprising about 13 per cent. of the factories in Andhra Pradesh, 14 per cent. in Maharashtra and 7 per cent. in the Residual Group (excluding Madras). In the remaining factories, the boxes were found to be deficient in one or more items. In about 93 per cent. of the factories having first-aid boxes, the latter were not easily accessible to workers. The proportion of such factories was the highest (cent. per cent.) in Madhya Pradesh and the lowest (about 90 per cent.) in Andhra Pradesh.

### 5.11 Transport Facilities

None of the *Bidi* factories surveyed was providing any transport facility to its employees.

### 5.12 Other Amenities

The present Survey has revealed that some sort of co-operative activity existed in only about two per cent. of the *Bidi* factories in the country excluding Madras. All these factories were small units located in Maharashtra. In two-thirds of these factories, consumer cooperative stores were being run for the benefit of the workers while the rest had co-operative credit societies. In none of these factories, however, the factory managements were rendering any financial assistance to the societies.

None of the *Bidi* factories surveyed was reported to be supplying any protective clothings to their workers.

### 5.13 Housing Facilities

Hardly 5 per cent. of the *Bidi* factories had provided housing accommodation to their employees. In Andhra Pradesh and the Residual Group (excluding Madras), none of the factories surveyed had provided this facility. Centre-wise details about the type of accommodation provided are presented in Statement 5.2.

## STATEMENT 5.2

*Estimated Percentage of Factories Providing Houses, Extent of Accommodation, etc.*  
(1965-66)

Centre	Number of Factories	Percentage of Factories Providing Houses	Percentage of Houses Consisting of			
			One Room	Two Rooms	Three Rooms	Four or more Rooms
1	2	3	4	5	6	7
1. Andhra Pradesh ..	320	—	—	—	—	—
Large Factories ..	52	—	—	—	—	—
Small Factories ..	268	—	—	—	—	—
2. Maharashtra ..	343	8.4	62.6	25.2	8.1	4.1
Large Factories ..	199	—	—	—	—	—
Small Factories ..	144	20.0	62.6	25.2	8.1	4.1
3. Madhya Pradesh ..	197	11.5	77.8	22.2	—	—
Large Factories ..	51	7.1	—	100.0	—	—
Small Factories ..	146	13.0	83.3	16.7	—	—
4. Residual (excluding Madras) ..	239	—	—	—	—	—
Large Factories ..	50	—	—	—	—	—
Small Factories ..	189	—	—	—	—	—
5. All-India (excluding Madras) ..	1,099	4.7	66.2	24.5	6.2	3.1
Large Factories ..	352	1.0	—	100.0	—	—
Small Factories ..	747	6.4	67.2	23.3	6.3	3.2

About 66 per cent. of the houses consisted of one-room tenements, about 25 per cent. had two-rooms, about 6 per cent. had three rooms and the rest had four or more rooms. One-room tenements were usually allotted to production workers and watch and ward staff, two-room tenements to the clerical staff while houses consisting of three or more rooms allotted to managerial personnel. In none of the factories providing houses, any rent was charged from the allottees.

It has been estimated that, of the total number of about 61 thousand workers (covered under the Factories Act, 1948) employed on 31st March, 1965, hardly 200 workers (i.e., about 0.3 per cent.) had been provided houses by the employers. Details appear in Statement 5.3.

**STATEMENT 5.3**  
*Estimated Percentage of Workers Allotted Houses*  
 (1965-66)

Centro				Number of Factories	Number of Workers* Employed as on 31-3-1965	Percentage of Workers Allotted Houses
1				2	3	4
1.	Andhra Pradesh	..	..	320	13,553	--
	Large Factories	..	..	52	3,259	-
	Small Factories	..	..	268	10,294	—
2.	Maharashtra..	..	..	343	29,481	0.5
	Large Factories	..	..	199	23,984	--
	Small Factories	..	..	144	5,497	2.7
3.	Madhya Pradesh	..	..	197	8,792	0.6
	Large Factories	..	..	51	4,796	0.2
	Small Factories	..	..	146	3,996	1.1
4.	Residual (excluding Madras)	..	..	239	8,875	--
	Large Factories	..	..	50	4,174	—
	Small Factories	..	..	189	4,701	--
5.	All-India (excluding Madras)	..	..	1,099	60,701	0.3
	Large Factories	..	..	352	36,213	**
	Small Factories	..	..	747	24,488	0.8

\*Covered under the Factories Act, 1948.

\*\*Less than 0.05 per cent.

Only about 10 per cent. of the factories in Madhya Pradesh, constituting hardly two per cent. of the *Bidi* factories in the country, were providing loan facilities to their workers for construction of houses.

## CHAPTER VI

### SOCIAL SECURITY

The Labour Investigation Committee had nothing to report about the provision of social security benefits like provident fund, pension and gratuity to the workers employed in the *Bidi Industry* when they conducted their Enquiry in 1944-45. However, with the Independence of the country, much headway has been made in this direction. The following paragraphs describe the various social security benefits being enjoyed by the workers in the *Bidi Industry* at the time of the present Survey.

#### 6.1. *Provident Fund Schemes*

Six per cent. of the Bidi factories in the country excluding Madras had introduced provident fund schemes for their employees and only about 2 per cent. of the total number of workers were members thereof as on 31st March, 1969. Centre-wise details appear in statement 6.1.

#### STATEMENT 6.1

*Estimated Percentage of Bidi Factories having Provident Fund Schemes, etc. (31st March, 1965)*

Centre	Number of Factories	Percentage of Factories having Provident Fund Schemes	Total Number of Workers* Employed as on 31-3-1965	Total Number of Workers who were Members of the Provident Fund Schemes	Percentage of Workers who were Members of the Provident Fund Schemes
1	2	3	4	5	6
1. Andhra Pradesh ..	320	—	13,553	—	—
Large Factories ..	52	—	3,259	—	—
Small Factories ..	268	—	10,2 94	—	—
2. Maharashtra ..	343	1·1	29,481	106	0·4
Large Factories ..	199	2·0	23,984	106	0·4
Small Factories ..	144	—	5,497	—	—
3. Madhya Pradesh ..	197	16·6	8,792	657	7·5
Large Factories ..	51	14·3	4,796	73	1·5
Small Factories ..	146	17·4	3,996	584	14·6
4. Residual (excluding Madras) ..	239	12·4	8,875	545	6·1
Large Factories ..	50	21·4	4,174	140	3·4
Small Factories ..	189	10·0	4,701	405	8·6
5. All-India (excluding Madras) ..	1,099	6·0	60,701	1,308	2·2
Large Factories ..	352	6·2	36,213	319	0·9
Small Factories ..	747	5·9	24,488	989	4·0

\*Covered under the Factories Act, 1948.

None of the factories surveyed in Andhra Pradesh had introduced any provident fund schemes.

The categories of workers entitled to become members of the various provident fund schemes varied from unit to unit covering such employees as permanent workers, time-rated production and clerical staff, monthly-rated workers, etc. In a few factories, however, the schemes covered all categories of workers. The conditions prescribed were such as 10 months' to one year's or 240 days' service. The rate of contribution by employees also varied from factory to factory and was  $6\frac{1}{2}$  or  $8\frac{1}{2}$  per cent. of wages. An equal amount was contributed by the employer.

#### 6.2. Pension and Gratuity Schemes

None of the *Bidi* factories surveyed had introduced any pension or gratuity scheme for its workers.

#### 6.3. Maternity Benefits

Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities, etc., to women workers employed in factories exists in almost all States under the various Maternity Benefit Acts passed by the State Governments. However, where the Employees' State Insurance Scheme has been put into force, the employers are absolved of their liability under the concerned Maternity Benefit Act. During the course of the Survey, information about the maternity claims made and paid by the managements during 1964 was collected from the sampled units employing women workers. Though women were employed in 59.5 per cent. of the *Bidi* factories in the country (excluding Madras), it was only in about 4 per cent. of them that maternity claims totalling about 113 were made and accepted for payment during 1964.

#### 6.4. Industrial Accidents

The Workmens' Compensation Act, 1923, and the Employees' State Insurance Act, 1948, provide for payment of compensation to workers who are injured on account of accidents arising out of and in the course of employment. During the present Survey, information in respect of number and nature of Industrial accidents during 1964 was collected from all the sampled factories whether covered or not under the Employees' State Insurance Scheme. The Survey has revealed that, during 1964, accidents did not occur in any of the *Bidi* factories surveyed.

#### 6.5. Occupational Diseases

None of the *Bidi* factories surveyed, excepting one large size factory in Madhya Pradesh, had reported any occupational disease afflicting their workers. In this factory, some workers were reported to be suffering from tuberculosis due to tobacco dust.

## CHAPTER VII

### INDUSTRIAL RELATIONS

During the present Survey, information was collected on some importance aspects of industrial relations in the *Bidi* Industry and the findings are discussed in the following paragraphs.

#### 7.1. *Industrial Disputes*

Data pertaining to industrial disputes in the *Bidi* Industry were not collected during the present Survey since the same were already being received in the Labour Bureau. Such information in respect of the number of industrial disputes in the *Bidi* Industry and consequent loss of mandays since 1959 is given in Statement 7.1.

#### STATEMENT 7.1

*Number of Disputes Resulting in Work-stoppages, Workers Involved and Man-days Lost in the Bidi Industry.*

(From 1959 to 1965)

Year	Number of Disputes*	Number of Workers Involved	Number of Man-days lost
1			
1959	35	17,376	1,05,721
1960	32	7,308	2,28,889
1961	91	20,773	3,56,339
1962	27	2,228	27,213
1963	19	2,174	83,761
1964	87	50,600	4,04,395
1965	69	69,516	6,08,043

*Source*—Labour Bureau; Indian Labour Year Books 1959 to 1965.

\*These include both strikes and lock-outs.

The statistics would show that there had been a considerable loss of man-days, particularly during the years 1960, 1961, 1964 and 1965.

#### 7.2. *Trade Unionism*

Though trade unions existed in some of the *Bidi* factories surveyed by the Labour Investigation Committee during 1944-45, the development of trade unionism in the Industry was not found to be satisfactory and was generally weak because of the conservatism of women who formed the major part of labour employed in the industry and, secondly, because of the workers' backwardness in the matter of literacy and standard of living. Information collected during the present Survey shows that workers had organised themselves into trade unions in about 37 per cent. of the *Bidi* factories in the country excluding Madras. Maharashtra was leading in this respect as trade unions were found to be existing in about 57 per cent. of the factories in this centre, followed by Residual Group (about

34 per cent.), Madhya Pradesh (about 30 per cent.) and Andhra Pradesh (about 23 per cent.). It was also found that trade unionism had developed more in large size factories than in small ones. As regards membership of trade unions, it is estimated that about 40 per cent of workers were members of trade unions. Further details appear in Statement 7.2.

### STATEMENT 7.2

*Estimated Percentage of Bidi Factories Where Workers were Members of Trade Unions, etc.*  
(1965-66)

	Number of Factories	Percentage of Factories where Workers were Members of Trade Unions	Number of Workers* as on 31-3-1965	Number of Workers who were Members of Trade Unions	Percentage of Factories where Trade Unions (some or all) were Recognised
1	2	3	4	5	6
1. Andhra Pradesh ..	320	23.3	13,553	3,901 (28.8)	87.3
Large Factories ..	52	72.7	3,259	2,085 (64.0)	75.0
Small Factories ..	268	13.7	10,294	1,816 (17.6)	100.0
2. Maharashtra ..	343	57.2	29,481	14,850 (50.4)	85.1
Large Factories ..	199	72.6	23,984	12,750 (53.2)	83.8
Small Factories ..	144	36.0	5,497	2,100 (38.2)	88.9
3. Madhya Pradesh ..	197	29.5	8,792	3,252 (37.0)	59.4
Large Factories ..	51	64.3	4,796	2,295 (47.8)	66.7
Small Factories ..	146	17.4	3,996	957 (24.0)	50.0
4. Residual (excluding Madras) ..	239	33.8	8,875	2,405 (27.1)	64.4
Large Factories ..	50	35.7	4,174	1,203 (28.8)	80.0
Small Factories ..	189	33.3	4,701	1,202 (25.6)	60.0
5. All-India (excluding Madras) ..	1,099	37.3	60,701	24,408 (40.2)	77.8
Large Factories ..	352	66.2	36,213	18,333 (50.6)	79.6
Small Factories ..	747	23.7	24,488	6,075 (24.8)	75.3

\* Covered under the Factories Act, 1948.

NOTE—Figures within brackets in column 5 are percentage of workers who were members of trade unions to the total number of workers 'covered' under the Factories Act 1948 as on the specified date.

Nearly 78 per cent. of the units having trade unions had accorded recognition to one or the other representative union functioning in the factory.

Almost all the trade unions were registered under the Indian Trade Unions Act, 1926. As regards multiplicity of trade unions in the Industry, in about 77 per cent. of the factories having trade unions, there was only one union while about 17 per cent. of the factories had two unions each. The remaining factories had three trade unions each.

Trade unions, wherever existing, were discharging some functions, mainly with the object of promoting the interest of workers. Securing claims of their aggrieved members under the various labour laws seemed to be their main pre-occupation. About 3 per cent. of the unions had provided some sort of recreation and/or welfare facilities for their members and about an equal proportion of the unions were providing relief to their distressed members. Adult education does not seem to have attracted the attention of many unions since only about 2 per cent of them had provided such facilities.

### 7.3. *Collective Agreements*

In the course of the Survey, information was collected in respect of collective agreements concluded since 1956 in the sampled establishments. It is estimated that such agreements had been concluded in nearly 24 per cent. of the *Bidi* factories, representing about 49 per cent of large and about 12 per cent of small size units. Their proportion of large and about 12 per cent of small size units. Their proportion (about 9 per cent.) in the Residual Group excluding Madras. In other centres, viz., Andhra Pradesh and Madhya Pradesh, the corresponding percentage was about 23 and 19 respectively. The subject matters of collective agreements covered a wide field such as payment of bonus, grant of holidays, increase in wages, festival advance, etc.

### 7.4. *Standing Orders*

The Labour Investigation Committee (1944-45), in its Report mentioned that no concern, whether big or small, had Standing Orders governing the relationship between the employers and employees. This is not surprising since framing of Standing Orders was not obligatory at that time. However, with the enactment of the Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all factories employing 100 or more workers to frame Standing Orders for regulating such matters as classification of workers, intimation of periods and hours of work, holidays, termination of employment, redress of grievances, etc. The present Survey presumably because of the impact of the legislation, reveals a significant improvement in this respect. It is estimated that nearly 13 per cent. of the *Bidi* factories comprising about 3 per cent. of the factories in Andhra Pradesh, about 27 per cent. in Maharashtra, about 11 per cent. in Madhya Pradesh and 9 per cent. in the Residual Group, were under a statutory obligation to frame Standing Orders and of them about 21 per cent., comprising nearly 53 per cent. of the factories in Andhra Pradesh, nearly 8 per cent. in



Maharashtra, about 67 per cent. in Madhya Pradesh and about 17 per cent. in the Residual Group, (excluding Madras), had complied with law. It was, however, noticed that Standing Orders were actually in existence in about 8 per cent. of the *Bidi* factories. Details appear in Statement 7.3.

### STATEMENT 7.3

*Estimated Percentage of Bidi Factories where Standing Orders were Framed, etc.*  
(1965-66)

Centre	Number of Factories	Percentage of Factories which had Framed Standing Orders	Percentage of Factories under Statutory Obligation to Frame Standing Orders	Percentage of Factories where Standing Orders were Framed (of Col. 4)	Percentage of Factories where Standing Orders were Certified
1	2	3	4	5	6
1. Andhra Pradesh ..	320	1.6	3.1	52.6	100.0
Large Factories ..	52	—	9.1	—	—
Small Factories ..	268	2.0	2.0	100.0	100.0
2. Maharashtra ..	343	5.1	27.3	8.3	100.0
Large Factories ..	199	5.9	47.1	8.3	100.0
Small Factories ..	144	4.0	—	—	100.0
3. Madhya Pradesh ..	197	33.6	11.1	66.6	84.9
Large Factories ..	51	42.9	42.9	66.6	83.3
Small Factories ..	146	30.4	—	—	85.7
4. Residual (excluding Madras) ..	239	1.5	8.6	17.3	100.0
Large Factories ..	50	7.1	28.6	25.0	100.0
Small Factories ..	189	—	3.3	—	—
5. All-India (excluding Madras) ..	1,099	8.4	13.3	21.4	89.2
Large Factories ..	352	10.6	38.2	19.3	90.2
Small Factories ..	747	7.4	1.6	45.4	88.6

In about 89 per cent. of the factories, the Standing Orders were duly certified by the competent authority. Standing Orders, wherever framed, covered not only production workers but other staff also. In about 43 per cent. of the factories having Standing Orders, they were found to have been framed under the Industrial Employment (Standing Orders) Act, 1946. In the remaining 57 per cent. of the units, all located in Madhya Pradesh, the Standing Orders were framed under the M.P. Industrial Employment (Standing Orders) Act, 1961.

### 7.5. Labour and Welfare Officers

It seems that the practice of appointing Labour and/or Welfare Officers in the *Bidi* Industry was not in vogue at the time of Labour Investigation Committee's Enquiry in (1944-45). This may be due to

the absence of any statutory provision therefor. With the enactment of the Factories Act, 1948, the appointment of Welfare Officers became obligatory for every factory wherein 500 or more workers are employed.

The present Survey has shown that both in Andhra Pradesh and the Residual Group excluding Madras, the *Bidi* factories were neither under any obligation to appoint such Officers nor had they done so. It was only about 2 per cent. of the factories in Maharashtra and an equal number in Madhya Pradesh, constituting about one per cent. of the *Bidi* factories in the country (excluding Madras) which were under a statutory obligation to appoint Welfare Officers, but none of them had also complied with the law. However, about 8 per cent. of the factories in Madhya Pradesh which accounted for only 1.5 per cent. of *Bidi* factories in the country (excluding Madras) had appointed Labour/Welfare Officers although they were under no legal obligation to do so. These officers had a wide range of activities and were found to be performing all the duties prescribed in the Rules framed under the Factories Act. It was reported that in all the factories where Labour/Welfare Officers had been appointed, they were appearing before Industrial Tribunals, Labour Courts, etc., on behalf of the managements in cases of industrial disputes.

#### 7.6. *Works Committees*

Though the Royal Commission on Labour had, as early as in 1930, emphasised the vital role that Works Committees could play in providing a recognised means of consultation between management and workers and thus eliminating the source of friction and inculcating a greater sense of responsibility and creative interest amongst the workers and the management, it was not till the enactment of the Industrial Disputes Act, 1947, that any positive step was taken by the Government of India for setting up of such committees. The Act empowers the appropriate Governments to prescribe that Works Committees should be constituted in every industrial establishments employing 100 or more workers. The Labour Investigation Committee (1944-45) in their Report did not mention the existence of Works Committees in any of the *Bidi* factories visited by them.

The results of the present Survey also revealed that although 13 per cent. of the *Bidi* factories in the country (excluding Madras) were under a statutory obligatory to constitute Works Committees, but none of them had done so. In fact, none of the *Bidi* factories surveyed had constituted any such Committee. The main reasons put forth by employers of the defaulting units for not setting up Works Committees were that both the managements and the workers never felt any need for the same and that the workers had never insisted on the formation of such Committees.

#### 7.7. *Production Committee and Other Committees*

None of the *Bidi* factories Surveyed had Constituted any Production Committee, Safety Committee or any other Committee.

### 7.8. *Grievance Procedure*

With the enactment of the Industrial Employment (Standing Orders) Act, 1946, it became obligatory for all factories employing 100 or more workers to frame Standing Orders, prescribing, *inter-alia*, the procedure to be followed for redress of workers grievances. As stated elsewhere in this Chapter, about 8 per cent. of the *Bidi* factories had framed Standing Orders and, thus, a prescribed grievance procedure had been laid down in such units. None of the other units had voluntarily prescribed any grievance procedure.

According to the prevailing practice, it was found that in small factories the workers, usually brought all complaints to the notice of the proprietor. In large factories, all complaints were generally looked into by the Labour/Welfare Officers, wherever, such officers had been appointed, who could be approached either direct or through immediate supervisor. In case the complaint was not settled at this level, they were brought to the notice of the Manager whose decision was usually final.

### 7.9. *Association of Workers with the Management*

The Survey has shown that none of the units surveyed in the *Bidi* Industry had introduced any system for associating workers with the management of the establishment.

## CHAPTER VIII

### LABOUR COST

Information pertaining to labour cost was collected from sampled establishments, during the course of the present Survey, in respect of the employees covered under the factories Act, 1948, and receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the Study of Labour Cost in the European Industry, made by the International Labour Office in 1956 with such modifications as were considered necessary in the light of conditions in India. For instance, in view of the fact that, in India wages are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, except for very few establishments, separate records for premium payments made for leave or holidays, or for days not worked, were not maintained and hence these were dropped as separate items and recorded under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country, e.g., lay-off, retrenchment compensation, washing facilities etc.

As mentioned earlier, the Survey in this Industry started in April, 1965, and ended in February, 1966. With a view to maintaining period of 12 months for which information was available subject to collect information, as far as possible, for the calendar year 1964. If however, the financial year of the establishment did not coincide with the calendar year and it was not feasible to collect information for 1964, the field staff were asked to collect the data for the latest period of 12 months for which information was available subject to the condition that at least 6 months of the reference year (i.e., calendar year 1964) were covered. The available data show that it was possible to collect information for the year 1964 or for a major part of it from all the units. As such, the data collected may be taken to refer broadly to the calendar year 1964.

#### 8.1. *Labour Cost Per Man-day Worked*

Data in respect of mandays worked and the wages and earnings of the workers were collected for the above mentioned period. Further, expenditure incurred by the employers on various welfare and social security measures, subsidy, services, etc., representing the cost incurred by the employers on labour, was also recorded in the course of the Survey. Based on the above, the average labour cost per man-day worked has been estimated and is given in Statement 8.1.

**STATEMENT 8.1**  
**Estimated Labour Cost Per Man-day Worked**  
**(1964)**

Centre	Labour Cost Per Man-day Worked						(In Rupees)
1	2						
1. Andhra Pradesh .. .. .	..	..	..	..	..	..	1.76
Large Factories .. .. .	..	..	..	..	..	..	2.11
Small Factories .. .. .	..	..	..	..	..	..	1.57
2. Maharashtra .. .. .	..	..	..	..	..	..	2.34
Large Factories .. .. .	..	..	..	..	..	..	2.18
Small Factories .. .. .	..	..	..	..	..	..	3.10
3. Madhya Pradesh .. .. .	..	..	..	..	..	..	2.33
Large Factories .. .. .	..	..	..	..	..	..	2.23
Small Factories .. .. .	..	..	..	..	..	..	2.44
4. Residual (excluding Madras) .. .. .	..	..	..	..	..	..	2.58
Large Factories .. .. .	..	..	..	..	..	..	2.50
Small Factories .. .. .	..	..	..	..	..	..	2.65
5. All India (excluding Madras) .. .. .	..	..	..	..	..	..	2.25
Large Factories .. .. .	..	..	..	..	..	..	2.24
Small Factories .. .. .	..	..	..	..	..	..	2.27

The overall labour cost per man-day worked in the Bidi Industry excluding Madras has been estimated at Rs. 2.25. It was the highest (Rs. 2.58) in the Residual Group (excluding Madras) and the lowest (Rs. 1.76) in Andhra Pradesh. The labour cost incurred by employers in small size factories was somewhat higher than that incurred in large size units in all the centres except Andhra Pradesh where the position was just the reverse.

### 8.2. Components of Labour Cost

Statement 8.2 shows the distribution of labour cost according to major heads under which the data were collected.

## STATEMENT 3.2.

...

Estimated Labour Cost Per Man-day Worked by Main Components  
(1964)

			(In rupees)		
Centro			Wages	Premium Pay for Overtime and Late Shifts	Bonuses  Other Cash Payments
			(a)	(b)	(c)
1			2	3	4
					5
1. Andhra Pradesh	..	..	1.72 (98.05)	—	0.02 (0.97)
Large Factories	..	..	2.36 (97.93)	—	0.03 (1.05)
Small Factories	..	..	1.54 (98.11)	—	0.01 (0.93)
2. Maharashtra	..	..	2.29 (97.70)	—	0.04 (1.71)
Large Factories	..	..	2.15 (98.71)	—	0.02 (0.91)
Small Factories	..	..	2.92 (94.25)	—	0.14 (4.46)
3. Madhya Pradesh	..	..	2.20 (94.61)	—	0.07 (2.98)
Large Factories	..	..	2.17 (97.30)	—	0.03 (1.14)
Small Factories	..	..	2.24 (91.81)	—	0.12 (4.89)
4. Residual (excluding Madras)	..		2.40 (93.36)	*	0.13 (5.02)
Large Factories	..	..	2.45 (97.99)	—	0.04 (1.44)
Small Factories	..	..	2.36 (89.07)	*	0.22 (8.33)
5. All-India (excluding Madras)	..		2.17 (96.58)	*	0.05 (2.32)
Large Factories	..	..	2.20 (98.37)	—	0.03 (1.02)
Small Factories	..	..	2.13 (93.77)	*	0.10 (4.36)

(a) Includes basic wage, dearness allowance, incentive bonus and attendance bonus.

(b) Includes extra payment for working on holidays.

(c) Include house rent allowance, travelling allowance, etc., and other ex-gratia payment

STATEMENT 8.2—*contd.*

(In Rupees)

Centre			Payments in Kind	Social Security Contributions		Subsidies (d)
				Obligatory	Non- obligatory	
1			6	7	8	9

1. Andhra Pradesh	..	..	0·01 (0·15)	—	—	0·01 (0·66)
Large Factories	..	..	* (0·11)	—	—	0·01 (0·57)
Small Factories	..	..	0·01 (0·17)	—	—	0·01 (0·69)
2. Maharashtra	..	..	* (0·03)	* (0·05)	—	0·01 (0·41)
Large Factories	..	..	* (0·03)	* (0·06)	—	0·01 (0·25)
Small Factories	..	..	* (0·05)	—	—	0·03 (0·96)
3. Madhya Pradesh	..	..	* (0·08)	0·02 (0·74)	* (0·01)	0·03 (1·30)
Large Factories	..	..	* (0·01)	* (0·21)	* (0·01)	0·03 (1·32)
Small Factories	..	..	* (0·15)	0·03 (1·29)	—	0·03 (1·29)
4. Residual (excluding Madras)	..	..	—	0·02 (0·64)	—	0·01 (0·35)
Large Factories	..	..	—	0·01 (0·34)	—	* (0·22)
Small Factories	..	..	—	0·03 (0·92)	—	0·01 (0·46)
5. All-India (excluding Madras)	..	..	* (0·05)	0·01 (0·24)	* (0·01)	0·01 (0·58)
Large Factories	..	..	* (0·03)	* (0·11)	* (0·01)	0·01 (0·42)
Small Factories	..	..	* (0·09)	0·01 (0·45)	—	0·02 (0·85)

(d) Includes expenditure on medical and health care, canteens, company housing, creche, educational and recreation services, etc.

## STATEMENT 8.2—contd.

(In Rupees)

Centre			Direct Benefits	Some Other Payments Related to Labour Cost	Others	Total
			(e)	(f)	(g)	
1			10	11	12	13
1. Andhra Pradesh	..	..	—	*	*	1.76
				(0.01)	(0.04)	(100.00)
Large Factories	..	..	—	*	—	2.41
				—		(100.00)
Small Factories	..	..	—	*	*	1.57
				(0.02)	(0.03)	(100.00)
2. Maharashtra	..	..	*	*	—	2.34
				(0.01)		(100.00)
Large Factories	..	..	*	*	—	2.18
			—	—		(100.00)
Small Factories	..	..	—	*	—	3.10
				(0.02)		(100.00)
3. Madhya Pradesh	..	..	*	*	*	2.33
			(0.01)		(0.12)	(100.00)
Large Factories	..	..	—	*	*	2.23
					(0.01)	(100.00)
Small Factories	..	..	*	—	0.01	2.44
			(0.02)		(0.24)	(100.00)
4. Residual (excluding Madras)	..		—	*	—	2.58
				(0.02)		(100.00)
Large Factories	..	..	—	*	—	2.50
				(0.01)		(100.00)
Small Factories	..	..	—	*	—	2.65
				(0.03)		(100.00)
5. All-India (excluding Madras)	..		*	*	*	2.25
				(0.01)	(0.03)	(100.00)
Large Factories	..	..	*	*	*	2.24
				—		(100.00)
Small Factories	..	..	*	*	*	2.27
			—	(0.01)	(0.07)	(100.00)

\* Less than Re. 0.005.

NOTE—Figures within brackets are percentages to totals.

(e) Includes direct payments made by the employer to the beneficiary on occasions like birth, death, marriage, etc.

(f) Includes expenditure on recruitment, vocational training, apprenticeship, on-the-job medical services, etc.

(g) Includes expenditure on miscellaneous payments like supply of protective equipment to workers, pay of Labour/Welfare Officers, etc.



### 8.2.1. Wages

This component comprises basic wage and dearness allowance, incentive or production bonus and attendance bonus, if any, received by the employees. It was desired by the Bureau to collect data, under this head, in respect of man-days worked alone but in the course of the pilot enquiry it was found that most of the employers did not maintain separate records of payments made for the days actually worked and for leave and holiday periods. Consequently, the amount of basic wages and dearness allowance recorded included the sum paid for the days worked as well as not worked but paid for.

It would be seen from Statement 8.2 that 'Wages' accounted for about 96.6 per cent. of the total labour cost in the Industry. Amongst the various centres, this proportion varied from 93.4 per cent. in the Residual Group (excluding Madras) to 98.1 per cent. in Andhra Pradesh. As between large and small factories, the proportion of cost on account of wages was higher in the former than that in the latter except in Andhra Pradesh where also the difference was negligible. Further, the entire cost under this head related to basic wages and dearness allowance or consolidated wages, as the case might be and none of the *Bidi* factories surveyed had incurred any expenditure on account of payment of incentive/production bonus or attendance bonus.

### 8.2.2. Premium Pay for Overtime and Late Shifts

Under this group, only the premium part of pay for overtime, late shift and work on holidays was recorded. This was represented by an amount received by the workers in addition to their normal pay. For instance, if a worker received one and a half times his normal wages for the overtime work, the extra amount, i.e., one-half, was recorded against this item. The normal wages were included under the group 'wages'.

Labour cost on account of this item was negligible (Statement 8.2). Only a few small factories in the Residual Group were incurring expenditure on this account.

### 8.2.3. Bonuses

Payments made in the form of festival, year-end, profit-sharing and any other similar type of bonus paid to the employees were recorded under this group. The over-all cost on account of such payments amounted to Re. 0.05 per man-day worked and accounted for 2.3 per cent. of the total labour cost. Its proportion was the highest (5 per cent.) in the Residual Group (excluding Madras) and the lowest (about 1 per cent.) in Andhra Pradesh.

Further analysis of the data shows that about 69 per cent. of the total bonus payments related to year-end bonus while about 30 per cent. were on account of festival bonus. The remaining 1 per cent. were accounted for by other bonuses like holiday bonus, etc.

### 8.2.4. Other Payments in Cash and Kind

Other cash payments were those payments which were made regularly by the employers such as house rent allowance, etc., as also *ex-gratia* payments. Payments in kind related to supply of such items as food articles and steel *thalies* to the workers. The share of both the type of payments in the total labour cost was negligible.

### 8.2.5. Social Security Contributions

Expenses incurred by employers on various social security measures constituted a rather unimportant element of the labour cost in the Bidi Industry. Since the employers are statutorily obliged to undertake some of the social security measures, separate data were collected in respect of expenditure incurred on obligatory and non-obligatory social security contributions. So far as obligatory social security measures are concerned, the various items on which data were collected were Provident Fund, Retrenchment and Lay-off Compensation, Employees' State Insurance Contributions, Compensation for Employment Injury and Occupational Diseases, Maternity Benefits, Dependents Allowance, Gratuity and Other Social Programmes. The combined cost on account of all social security contributions works out to a small sum of Re. 0.01 per man-day worked in the Industry as a whole excluding Madras. Almost the whole of this expenditure was on obligatory social security contributions. None of the factories surveyed in Andhra Pradesh were incurring any expenditure on this account. Statement 8.3 gives details about the estimated cost of social security contributions.

#### STATEMENT 8.3

#### *Estimated Cost of Social Security Contributions Per Man-day Worked (1964)*

(In Rupees)

Centre	Obligatory		
	Provident Fund	Maternity Benefits	Total
1	2	3	4
1. Andhra Pradesh .. .. .	—	—	—
Large Factories .. .. .	—	—	—
Small Factories .. .. .	—	—	—
2. Maharashtra .. .. .	*	*	*
Large Factories .. .. .	(90·91)	(9·09)	(100·00)
Small Factories .. .. .	(92·31)	(7·69)	(100·00)
3. Madhya Pradesh .. .. .	·02	*	0·02
Large Factories .. .. .	(94·	(5·20)	(100·00)
Small Factories .. .. .	(65·91)	34·04)	(100·00)
4. Residual (excluding Madras) .. .. .	0·03	—	0·03
Large Factories .. .. .	(100·00)	—	(100·00)
Small Factories .. .. .	0·01	—	0·01
5. All India (excluding Madras) .. .. .	0·03	*	0·03
Large Factories .. .. .	(100·00)	(3·64)	(100·00)
Small Factories .. .. .	(87·50)	(12·50)	(100·00)
	0·01	—	0·01
	(100·00)	—	(100·00)

## STATEMENT 8.3—contd.

(In Rupees)

Centre				Non-obligatory	Total Obligatory and Non-obligatory	Percentage of Social Security Contributions to the total Labour Cost
1				5	6	7
1. Andhra Pradesh	..	..	..	—	—	—
Large Factories	..	..	..	—	—	—
Small Factories	..	..	..	—	—	—
2. Maharashtra	..	..	..	—	*	0.05
Large Factories	..	..	..	—	*	0.06
Small Factories	..	..	..	—	—	—
3. Madhya Pradesh	..	..	..	*	0.02	0.75
Large Factories	..	..	..	*	*	0.22
Small Factories	..	..	..	—	0.03	1.29
4. Residual (excluding Madras)	..	..	..	—	0.02	0.64
Large Factories	..	..	..	—	0.01	0.34
Small Factories	..	..	..	—	0.03	0.92
5. All-India (excluding Madras)	..	..	..	*	0.01	0.24
Large Factories	..	..	..	*	*	0.11
Small Factories	..	..	..	—	0.01	0.45

\* Less than Re. 0.005.

NOTE—Figures within brackets in cols. 2 and 3 are percentages to those in col. 4.

The expenditure incurred by the employers on non-obligatory social security contributions was virtually insignificant and related only to provident fund payments in a few large factories in Madhya Pradesh. As regards the cost on obligatory social security contributions, provident fund contributions alone accounted for about 96.4 per cent. of it and the rest (about 3.6 per cent.) related to maternity claims in some of the large factories surveyed in Maharashtra and Madhya Pradesh.

## 8.2.6. Subsidies

Cost to employers for providing certain facilities and services to workers and their families was collected under this head. The facilities listed were: Medical and Health Care, Canteens, Restaurants and Other Food Services, Company Housing, Building Fund, Credit Unions and Other Financial Aid Services, Creches, Educational Services, Cultural Services (e.g., Library, Reading Rooms, etc.), Recreation Services (Clubs, Sports, etc.), Transport, Sanitation (at work places), Drinking Water Facilities, Vacation Homes, etc. The net amount spent, including depreciation but excluding any capital expenditure, was recorded. In the course of the pilot enquiry, it was

noticed that in most of the cases, employers either did not maintain any records separately for the above mentioned items or expenses related not only to persons falling within the scope of the study but also to others. Hence, the field staff were asked to obtain estimates, wherever such statistics were not available separately, for the above mentioned items, and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. The cost of subsidies per man-day worked amounted to only Re. 0.01 (Statement 8.2). Statement 8.4 gives details in respect of the cost on subsidies incurred by the employers in the Bidi Industry.

**STATEMENT 8.4**  
**Estimated Cost of Subsidies Per Man-day Worked**  
**(1964)**

(In Rupees)

Centre			Medical and Health Care	Canteens	Restau- rants and Other Food Services	Company Housing	Recrea- tional Services
1			2	3	4	5	6
1. Andhra Pradesh	..	..	*	—	—	—	*
			(2.61)				(1.74)
Large Factories	..	..	—	—	—	—	—
Small Factories	..	..	*	—	—	—	*
			(2.75)				(2.75)
2. Maharashtra	..	..	*	—	—	*	*
			(1.04)			(5.21)	(2.08)
Large Factories	..	..	*	—	—	—	—
			(1.85)				
Small Factories	..	..	—	—	—	*	*
						(8.75)	(3.70)
3. Madhya Pradesh	..	..	—	—	—	0.01	*
						(22.77)	(0.99)
Large Factories	..	..	—	—	—	*	*
						(2.05)	(2.05)
Small Factories	..	..	—	—	—	0.02	—
						(44.76)	
4. Residual (excluding Madras)	..	..	*	—	—	*	*
			(11.23)			(2.25)	(1.12)
Large Factories	..	..	—	—	—	*	—
						(7.27)	
Small Factories	..	..	*	—	—	—	*
			(16.20)				(1.63)
5. All-India (excluding Madras)	..	..	*	—	—	*	*
			(1.53)			(9.92)	(1.53)
Large Factories	..	..	*	—	—	*	*
			(1.08)			(1.08)	(1.08)
Small Factories	..	..	*	—	—	*	*
			(2.61)			(16.67)	(2.08)

STATEMENT 8.4—*contd.*

(In Rupees)

Centre			Sanitation	Drinking Water	Educa- tional Services	Cultural Services	Washing Facilities
1			7	8	9	10	11
1. Andhra Pradesh	..	..	0·01 (66·08)	* (24·35)	—	* (1·74)	* (0·87)
Large Factories	..	..	0·01 (65·69)	* (26·28)	—	—	* (0·73)
Small Factories	..	..	0·01 (66·06)	* (23·85)	—	* (2·75)	* (0·92)
2. Maharashtra	..	..	0·01 (62·50)	* (26·04)	* (1·04)	—	* (2·09)
Large Factories	..	..	0·01 (62·96)	* (31·48)	* (1·04)	—	* (3·71)
Small Factories	..	..	0·02 (63·30)	0·01 (20·88)	* (2·02)	—	* (1·35)
3. Madhya Pradesh	..	..	0·01 (36·64)	* (12·54)	0·01 (26·07)	* (0·99)	—
Large Factories	..	..	0·01 (32·42)	* (11·26)	0·02 (50·85)	* (1·37)	—
Small Factories	..	..	0·01 (40·95)	* (13·65)	—	* (0·64)	—
4. Residual (excluding Madras)	..	..	0·01 (67·42)	* (12·36)	—	* (2·25)	* (3·37)
Large Factories	..	..	* (78·18)	* (9·09)	—	* (1·82)	* (3·64)
Small Factories	..	..	0·01 (62·60)	* (14·63)	—	* (2·44)	* (2·44)
5. All-India (excluding Madras)	..	..	0·01 (54·20)	* (19·85)	* (9·92)	* (0·76)	* (1·53)
Large Factories	..	..	0·01 (50·54)	* (21·50)	* (21·50)	* (1·08)	* (1·07)
Small Factories	..	..	0·01 (57·29)	0·01 (18·75)	* (0·52)	* (1·04)	* (1·04)

## STATEMENT 8.4—concl'd.

					(In Rupees)	
Centre		Vacation Burses	Other Family Services	Total	Percentage of Subsi- dies to the Total Labour Cost	
1		12	13	14	15	
1. Andhra Pradesh	.. ..	—	* (2·61)	0·01 (100·00)	0·66	
Large Factories	.. ..	—	* (7·30)	0·01 (100·00)	0·57	
Small Factories	.. ..	—	* (0·92)	0·01 (100·00)	0·69	
2. Maharashtra	.. ..	—	—	0·01 (100·00)	0·41	
Large Factories	.. ..	—	—	0·01 (100·00)	0·25	
Small Factories	.. ..	—	—	0·03 (100·00)	0·96	
3. Madhya Pradesh	.. ..	—	—	0·03 (100·00)	1·30	
Large Factories	.. ..	—	—	0·03 (100·00)	1·32	
Small Factories	.. ..	—	—	0·03 (100·00)	1·29	
4. Residual (excluding Madras)	.. ..	—	*	0·01 (100·00)	0·35	
Large Factories	.. ..	—	—	* (100·00)	0·22	
Small Factories	.. ..	—	*	0·01 (100·00)	0·46	
All-India (excluding Madras)	.. ..	—	* (0·76)	0·01 (100·00)	0·58	
Large Factories	.. ..	—	* (1·07)	0·01 (100·00)	0·42	
Small Factories	.. ..	—	*	0·02 (100·00)	0·85	

\*Less than Re. 0·005.

NOTE—Figures within brackets are percentages to total in Col. 14.

At the Industry level, the main items of expenditure were sanitation, drinking water, company housing and educational services.

#### 8.2.7. *Direct Benefits*

Direct benefits are those benefits which are paid by the employers directly to the beneficiary without any intermediary or external agency on such occasions as birth, death, marriage, etc. The Survey results show that expenses incurred by employers under this head were negligible.

#### 8.2.8. *Some Other Payments Related to Labour Cost*

Under this group, expenses relating to provision of on-the-job medical services and cost of recruitment and remuneration paid to apprentices incurred by the employers were recorded. The Survey has revealed that expenditure on these items formed a negligible proportion of the total labour cost in the Bidi Industry.

#### 8.2.9. *Others*

Under this head, only those expenses which could not be grouped under any of the heads or sub-heads of the labour cost items were recorded. They related to the cost incurred by the employers on account of protective clothings, pay of welfare officers, etc. The total cost on account of all these items was negligible in the Industry.

## CHAPTER IX

### SUMMARY OF FINDINGS

During 1965, there were 1,338 *Bidi* factories registered under the Factories Act, 1948, with an average daily employment of about 68 thousand workers. Most of these factories were located in Andhra Pradesh, Maharashtra and Madhya Pradesh. These figures are exclusive of Tamil Nadu where *Bidi* establishments are covered under the Madras Beedi Industrial Premises (Regulation of Conditions of Work) Act, 1958.

On the basis of the present Survey, it is estimated that, as on 31st March, 1965, the Industry (excluding Madras) employed about 64.4 thousand workers, of which only 6 per cent. were not covered under the Factories Act, 1948. Nearly 95 per cent. of the employees were 'Production and Related Workers (including Supervisory)' and the rest were workers belonging to other categories. About 49 per cent. of the workers were women and the employment of children was negligible. A predominant majority of production workers (about 90 per cent.) were being paid on a piece-rate basis and the rest were all time-rated. Employment of workers through contractors was not common in the *Bidi* Industry as hardly 4 per cent. of the factories were found to be employing contract workers and they formed about 2 per cent. of the total production workers.

Nearly 22 per cent. of the production workers employed directly were permanent and about 78 per cent. of the workers were temporary. The proportion of casual workers was negligible. Distribution of directly employed production workers according to their length of service shows that about 60 per cent. of them had put in less than one year's service as on 31. 3. 1965 and only about 8 per cent. of the workers had 10 years or more of service to their credit. The remaining workers fell in the intermediary groups. Measures for reducing absenteeism had been taken in about 4 per cent. of the units. None of the units had, however, taken any measures for reducing labour turnover.

During March, 1965, the average daily earnings of the workers belonging to the groups 'Professional, Technical and Related Personnel' and 'Administrative, Executive and Managerial Personnel' were Rs. 3.60 and Rs. 6.38 respectively. Clerical workers earned, on an average, Rs. 3.85 per day and watch and ward staff Rs. 2.83 per day.

Data collected under the Payment of Wages Act show that the average daily earnings of all workers were Rs. 2.30 during 1965.

A separate dearness allowance was being paid in about 5 per cent. of the factories but in none of them it was linked with the Consumer Price Index Number. Payment of production/incentive



bonus and night shift allowance was not in vogue in the Bidi Industry. House rent allowance was being paid in only about 2 per cent. of the factories.

Annual/year-end bonus was being paid in about one-third of the factories and about two-fifths of them had regular schemes for the purpose. About 16 per cent. of the factories were paying festival bonus to their workers and there were regular schemes in about one-fifth of the units.

All the factories surveyed were working one shift which was invariably a day shift. The daily hours of work were up to 8 in about 95 per cent. of the establishments. Except about 6 per cent. of the units which did not allow any rest interval or the same was not fixed, all other factories were allowing some rest interval to the workers.

Of the factories where workers were obliged to work in a standing position, about 78 per cent. had provided seats for them.

It is estimated that nearly 58 and 38 per cent. of the factories had provided latrines and urinals respectively for their workers.

The system of granting earned leave with pay existed in nearly 21 per cent. of the *Bidi* factories. The statistics show that nearly 5 per cent. of workers had availed themselves of earned leave during 1964 and only about 17 per cent. of the workers took leave for more than 15 days. Very few *Bidi* factories allowed casual leave and sick leave with pay to their workers. The practice of granting national and/or festival holidays with pay existed in about 59 per cent. of the establishments.

Approximately 95 per cent. of the *Bidi* factories were complying with the provision of the Factories Act regarding the grant of a weekly day of rest to workers.

Suitable arrangements for providing drinking water to workers had been made in about 94 per cent. of the factories, mostly in the shape of earthen pitchers. Only 60 per cent. of the factories required to provide cool drinking water during the summer months had done so. However, including a few units which had provided the facility voluntarily, provision for the supply of drinking water existed in about 83 per cent. of the factories.

Washing facilities existed in about 35 per cent. of the factories. Some cleansing material like soap, towels, etc., was being supplied in 14 per cent. of the factories. Bathing facilities were found in only about 5 per cent. of the factories.

Of the 5 factories required to provide canteens, only one in Madhya Pradesh had complied with the law. No other factory had provided any canteen voluntarily. None of the *Bidi* factories surveyed had provided any creche, lockers and rest shelters for their workers.

Recreation facilities mostly in the form of radio sets were provided in hardly 4 per cent. of the factories. Only one large factory in Madhya Pradesh was reported to have provided educational facility in the shape of a primary school for the benefit of the children of the workers.

None of the Bidi factories had provided any dispensary or hospital for their workers or maintained any ambulance room. First-aid-boxes, mostly under the charge of un-trained personnel, were maintained in about 48 per cent. of the factories. In only 11 per cent. of these units, the first-aid boxes were found to be complete in respect of their contents. Consumer Co-operative Stores or Co-operative Credit Societies were functioning in only about 2 per cent. of the establishments. Hardly 5 per cent. of the Bidi factories had provided housing accommodation to their employees. About two-thirds of these houses were one-room tenements. The percentage of the workers who were provided accommodation by the management was almost negligible.

Provident fund schemes existed in 6 per cent. of the units and only about 2 per cent. of the workers were members thereof as on 31-3-1965. None of the Bidi factories were having any pension and gratuity schemes. None of the factories surveyed reported any industrial accidents during 1964.

Trade unions existed in about 37 per cent. of the Bidi factories and nearly 40 per cent. of the workers were members thereof. The favourable attitude of the managements towards unions is reflected by the fact that in 78 per cent. of the factories, where workers were organised into trade unions managements had accorded recognition to one or the other union in existence.

Collective agreements since 1956 had been concluded in roughly one-fourth of the Bidi factories. It is estimated that nearly 13 per cent. of the Bidi factories were under a statutory obligation to frame Standing Orders and, of these nearly 21 per cent. had actually framed the Standing Orders. Although some of the factories were required under law to appoint Welfare Officers or constitute Works Committees, but none had done so. A prescribed grievance procedure existed in only 8 per cent. of the factories.

Data relating to labour cost in respect of workers covered under the Factories Act, 1948 and receiving less than Rs. 400.00 per month show that during 1964, the cost per man-day worked in the Bidi Industry excluding Madras was Rs. 2.25. Wages, i.e., basic wage, dearness allowance and incentive payments, if any, constituted the main component and accounted for about 97 per cent. of the total labour cost. Other important components were bonuses, subsidies and social security contributions.

Salient features of the Bidi Industry as thrown up by the Survey of Labour Conditions, are presented in the following Statement 9.1.

**STATEMENT 9.1**  
**Salient Features of the Bidi Industry@**

Particulars	Estimates for the industry, as a whole
1.	2
<b>I. Employment—</b>	
<i>Total</i> .. .. .	64,364
Of which production and Related Workers .. .. .	95%
Others .. .. .	5%
Women Labour .. .. .	49%
<i>Production Workers (Total)</i> .. .. .	58,914
Of which Time-rated .. .. .	10%
Piece-rated .. .. .	90%
Employed through Contractors .. .. .	2%
<i>Production Workers Employed Directly (Total)</i> .. .. .	57,871
Of which permanent workers .. .. .	22%
Workers with service of 10 years and more .. .. .	8%
<b>II. Wages and Emoluments—</b>	
Average daily earnings of—	
(i) All Workers (1965) .. .. .	Rs. 2.30
(ii) Professional, Technical and Related Personnel (March, 1965) .. .. .	Rs. 3.60
(iii) Administrative, Executive and Managerial Personnel (March, 1965) .. .. .	Rs. 6.38
(iv) Clerical and Related Workers (including Supervisory) March, 1965 .. .. .	Rs. 3.85
(v) Watch and Ward and Other Services (March, 1965) .. .. .	Rs. 2.83
<i>Proportion of—</i>	
Factories paying separate dearness allowance .. .. .	5%
Factories in which the dearness allowance was linked with the Consumer Price Index Number* .. .. .	—
Factories paying production incentive bonus .. .. .	—
Factories paying annual bonus .. .. .	33%
Factories paying festival bonus .. .. .	16%
<b>III. Hours of Work, etc.—</b>	
(Proportion of)	
Factories where daily hours of work were 8 or less .. .. .	95%
Factories where weekly hours of work were 48 or less .. .. .	95%
Factories where spread-over was up to 10 hours .. .. .	92%
Factories where rest-interval was up to one hour .. .. .	62%

@Excluding Bidi factories in Madras State.

\* Out of those paying separate dearness allowance.

STATEMENT 9.1—*contd.*

	1	2
<b>IV. Leave and Holidays with Pay—</b>		
(Proportion of units granting)		
Earned leave .. .. .		21%
Sick leave .. .. .		1%
Casual Leave .. .. .		2%
National and festival holidays .. .. .		59%
Weekly off (with or without pay) .. .. .		95%
<b>V. Welfare and Amenities—</b>		
(Proportion of units providing)		
Seating arrangement (out of those where workers had to do work standing)		78%
Drinking water facility .. .. .		94%
Washing facility .. .. .		35%
Rest shelters .. .. .		—
Canteens .. .. .		*
Crochets .. .. .		—
Latrines .. .. .		58%
Urinals .. .. .		38%
Labour/Welfare Officers .. .. .		1·51%
First-aid boxes .. .. .		48%
Ambulance rooms .. .. .		—
Recreation facilities .. .. .		4%
Educational Facilities .. .. .		*
Housing facility .. .. .		5%†
<b>VI. Social Security—</b>		
(Proportion of units having)		
Provident fund schemes .. .. .		6%
Pension schemes .. .. .		—
Gratuity schemes .. .. .		—
Proportion of workers covered under Provident Fund Schemes .. .. .		2%
<b>VII. Accident Rate—</b>		
(Per thousand workers employed) .. .. .		—
<b>VIII. Industrial Relations—</b>		
Factories having trade unions .. .. .		37%
Proportion of workers who were members of trade unions .. .. .		40%
Units having concluded collective agreements .. .. .		24%
Factories having Standing Orders .. .. .		8%
Factories having Works/Joint Committees .. .. .		—
<b>IX. Labour Cost—</b>		
Labour Cost per Man-day Worked during, 1964 .. .. .		Rs. 2·25

\*Insignificant.

†Percentage of workers housed was only 0·3.

## APPENDIX I

*Note on Labour Conditions in Bidi Factories in Madras\* covered during the Survey of Labour Conditions (1965-66).*

The Bidi factories in Madras are covered under the Madras Beedi Industrial Premises (Regulation of Conditions of Work) Act, 1958. According to the list of registered factories furnished by the State Government, there were 2,828 Bidi establishments in Madras State employing 66,183 workers as on 1st April, 1964. For purposes of the Survey, these factories were classified into large and small by using 50 as the cut-off point which was the same as adopted for the industry, as a whole. The sampling fraction adopted was 25 per cent. for large size and 6½ per cent. for small size factories. The following table shows the number of Bidi factories in the frame, in the sample and in the sample actually covered.

Out of the sampled units selected, nearly 39 per cent. of the factories were found to be closed at the time of the Survey. The closure rate was particularly high in the case of small factories. In view of this coupled with the non-availability of records, the samples actually covered were found to be too few to give any reliable estimates for the small size factories. Hence the information in this note has been given only in the form of ratios and proportions of various characteristics for the two size groups combined without giving estimates of totals.

### *Employment*

The total number of workers employed in the 132 bidi factories was 2,355 as on 31-3-1965. Of these, 88.8 per cent. were 'Production and Related Workers (including Supervisory)', 6.8 per cent. were 'Clerical and Related Workers (including Supervisory)', 2.8 per cent. were in the group 'Watch and Ward and Other Services' and 1.5 per cent. were 'Administrative, Executive and Managerial Personnel'. 'Professional, Technical and Related Personnel' constituted a negligible proportion of the total number of workers employed.

Centre/size				No. of units in the frame	No. of units in the Sample selected	No. of units actually covered out of (Col. 3)
1				2	3	4
Madras	..	..	..	2,828	217	132 (60.83)
Large Factories	..	..	..	210	53	52 (98.11)
Small Factories	..	..	..	2,618	164	80 (48.78)

\*Since named Tamil Nadu with effect from 14th January, 1969.

NOTE—Figures within brackets are percentages to Col. 3.

About 4 and 1 per cent. of the factories employed women workers and children respectively. Of the total working force in the 132 factories in March, 1965, 98.3 per cent. were men, 1.6 per cent. were women and the rest were children. Contract labour was not employed in any of the factories surveyed.

Nearly 80 per cent. of the production workers were piece-rated, the remaining workers being paid on the basis of time.

Information concerning employment status of production workers collected during the Survey shows that in March, 1965, nearly 76 per cent. of the workers were temporary and about 23 per cent. were permanent. The remaining 1 per cent. of the workers were paid apprentices and casual workers. Information relating to length of service of production workers employed directly is given below—

Length of Service as on 31st March, 1965	Percentage of Workers
1	2
(i) Under one year .. .. .	67.4
(ii) One year or more but under 5 years .. .. .	23.0
(iii) Five years or more but under 10 years .. .. .	2.2
(iv) Ten years or more but under 15 years .. .. .	1.4
(v) Fifteen years and above .. .. .	6.0
	100.0

None of the factories surveyed had taken any measures for reducing absenteeism and labour turnover.

Almost all workers were recruited by the employers directly at the factory gate. Very few workers were recruited by the head office of the establishment.

Only one factory was providing training and apprenticeship facilities to its workers. The scheme was *ad hoc* and the period of training was 3 months. The trainees were paid an allowance of Rs. 1.50 per day. There was a verbal contract between the management and the trainees for providing employment to the trainees.

### *Wages and Earnings*

During March, 1965, the average daily earnings of different categories of workers (except production workers for whom no information was collected) were as follows—

Occupational Group.	Average daily earnings during March, 1965.
1	2
(i) Professional, Technical and Related Personnel .. .. .	Rs. 6.79
(ii) Administrative, Executive and Managerial Personnel .. .. .	13.76
(iii) Clerical and Related Workers (including Supervisory) .. .. .	5.53
(iv) Watch and Ward and Other Services .. .. .	2.99

The system of paying dearness allowance, as a separate component was in vogue in only about 4 per cent. of the factories. Of these, in three-fifths of the factories, the dearness allowance was paid at flat rate which ranged from Rs. 31.00 to Rs. 40.00 per month. In the remaining two-fifths of the factories, the dearness allowance was based on income slabs.

The practice of paying production or incentive bonus was not in vogue in any of the *Bidi* factories surveyed in Madras.

Three out of 132 factories (i.e., 2.3 per cent.) were paying some house rent allowance to their workers. In one factory, only the supervisory staff was given this allowance at the rate of Rs. 5.00 per month without any condition. In the remaining two factories, all workers who had come from outside were entitled to house rent allowance varying from Rs. 10.00 to Rs. 15.00 per month. Local workers were also paid this allowance at Rs. 8.00 per month provided they did not have their own house.

Food allowance and local allowance were being paid by two factories to all categories of workers. The food allowance was given to all workers at the rate of Rs. 5.00 per month without any condition but local allowance was paid at the rate of Rs. 30.00 per month to only those workers who had come from outside Madras State.

About 28 per cent. of the factories were paying annual/year-end bonus to their workers. Though schemes were regular in all the factories but payment was made at the discretion of the management in most of them. The rate at which annual bonus was paid varied from factory to factory and ranged from 15 day's wages to six month's basic wages.

Festival Bonus was being paid in three factories forming about 2 per cent. of all the factories in Madras. In all the factories, the schemes were regular but payment was subject to the discretion of the management. The rates of festival bonus differed from unit to unit but ranged between three weeks' and six months' wages.

The practice of imposing fines or making deductions on account of damages, etc., did not exist in any of the factories surveyed.

### Working Conditions

All the Bidi factories covered in Madras were working on a single shift system which was invariably in the day. In about 58 per cent. of the factories, the hours of work did not exceed 8 per day or 48 per week and in about 1 per cent. of the units, these were more than 8½ and up to 10 hours per day and, 54 or more per week. In the remaining 41 per cent. of the factories, the hours of work were not fixed. About 59 per cent. of the factories were giving a rest interval of at least 45 minutes or more to their workers and in the remaining factories, the duration of rest-interval was not fixed. Similarly, the spreadover ranged between 8½ and more than 10 hours in 59 per cent. of the units and it was not fixed in the rest of the units.

Only two factories reported some dust-giving processes in their tobacco cleaning and curing departments. As a precautionary measure, these processes were isolated in both the factories while one had also installed local exhaust ventilation. Respiratory protective equipment was not provided to workers in any of these factories. Similarly, there was only one factory which reported the existence of gas-giving process in their Tandoor department. Besides isolating the process from others, the factory had also provided local as well as general exhaust ventilation. As regards housekeeping, i.e., dusting, cleaning and arrangement of articles, etc., it was found to be satisfactory in the two factories reporting dusty processes but in the factory having gas, the housekeeping was reported to be unsatisfactory.

Latrines were provided in about 23 per cent. of the Bidi factories and most of the latrines were dry type bore hole or dry type pan. The structure of all the latrines was permanent. Of the five units employing women and providing latrines, only one had made separate arrangements for women workers. As regards urinals, the position was not so good as in the case of latrines. Only about 9 per cent. of the factories were providing separate urinals.

The Survey has revealed that about 30 per cent. of the Bidi factories in Madras were granting earned leave with pay to their employees. As regards the period of leave, qualifying conditions and rate of payment, the managements generally followed the provisions of the Madras Beedi Industrial Premises (Regulation of Conditions of Work) Act, 1958. However, in a few factories, the benefit of earned leave was allowed to permanent workers only. The data collected further show that only about 12 per cent. of the employees had availed themselves of earned leave with pay during 1964.

The system of granting casual leave with pay was prevalent in about one-fifth of the Bidi factories. Generally, permanent workers or those with at least one year of service were allowed this facility. The number of days allowed as casual leave was 10 in a year in about 7 per cent. of the factories while, in the rest, the workers were entitled to casual leave up to 15 days in a year. During leave, workers were entitled to their usual wages.

Similarly, in about 20 per cent. of the Bidi factories, the workers were enjoying the facility of sick leave with pay up to a maximum of 15 days per year. Some of the factories insisted on production of



a medical certificate before sick leave was granted. During the period of leave, workers were entitled to their full normal wages.

The practice of granting national/festival holidays with pay existed in about 32 per cent. of the factories. Usually, all workers were entitled to these holidays though a few factories restricted them to those who had put in at least one year of service. In about 88 per cent. of the factories granting such holidays, the number of days allowed in a year ranged between 6 and 10 and in 7 per cent. of the units, their number was more than 10. In the remaining about 5 per cent. of the units, the number of such holidays did not exceed 5. In all the factories granting national/festival holidays, workers were entitled to their full normal wages for these holidays.

A weekly day of rest was allowed in about 71 per cent. of the factories. Of these, in about 47 per cent. of the factories, it was with pay while, in the rest, it was without pay.

### *Welfare and Amenities*

Drinking water facilities were provided in about 55 per cent. of the factories, the most common arrangement being earthen pitchers. It is reported that in about 3 per cent. of the factories, the drinking water points were located within a distance of 20 feet from any washing place, urinals or latrines. About two-thirds of the factories having drinking water arrangements also provided cool drinking water during the summer months. Most of them had kept earthen pitchers for the purpose. The condition of the receptacles was found to be clean in all the units.

Washing facilities, mostly in the shape of well-water, existed in about 27 per cent. of the units. Some cleansing material, mainly soap, was being supplied to the workers in about one-tenth of the units. Though about two-fifths of the units providing washing facilities employed women workers but none of them had made separate arrangements for them.

Of the factories covered, bathing facilities existed in only one unit. This facility was provided by the units for women workers only. The condition of the bath room was reported to be clean.

Only one factory had installed a radio set in the factory for the recreation of the workers.

Only one factory had provided a dispensary which was under the charge of a full-time doctor. First-aid boxes had been kept in about 11 per cent. of the *Bidi* factories. However, in only two-fifths of these factories, there were trained first-aiders. In only one-third of these units, the first-aid boxes were found to be complete in respect of their contents. The first-aid boxes in all the units were reported to be easily accessible to the workers.

None of the *Bidi* factories surveyed were found to have provided canteens, creches, lockers, ambulance rooms, transport facilities, educational facilities, housing accommodation, grainshops etc., for their workers.

### *Social Security*

None of the *Bidi* factories surveyed were having any provident fund or pension scheme for their workers. The only social security benefit available to the workers was gratuity which was paid in 5 units, representing about 4 per cent. of the factories in Madras. All of them had regular schemes for the purpose. In three factories, gratuity was paid to clerical staff and *maistries* at the following rates in case they had put in at least 15 years' service:

- (i) Seven month's basic wages for those having completed 15 years service;
- (ii) Nine months' basic wages for those having completed more than 15 years but not more than 25 years of service; and
- (iii) Ten months' basic wages for those having put in more than 25 years of service.

Not a single worker employed in these factories was reported to have received gratuity during the year 1964.

Of the remaining two units, in one, gratuity was paid to only production workers and in the other to all workers (except casual workers) after completing one year's continuous service. In both the units, the rate of gratuity was 15 days' basic wages for each completed year of service. In all, 5 persons were reported to have received gratuity during 1964 in the two factories.

The Survey did not reveal the existence of any maternity benefit scheme in any of the factories covered. No industrial accidents and occupational diseases were also reported in any of the factories during 1964.

### *Industrial Relations*

Workers were organised into trade unions in about 9 per cent. of the *Bidi* factories in Madras and about 27 per cent. of the workers were members thereof, as in March, 1965. All factories having trade unions had accorded recognition to one or the other representative union functioning therein. In 58 per cent. of the factories having trade unions, all the unions were registered, whereas in 25 per cent. of the units, only some of the unions were registered. In the remaining 17 per cent. of the factories, no union was registered. As regards multiplicity of trade unions, about three-fourths of the factories had one union and the rest had two unions. All the trade unions were securing claims of their members under various labour laws.

Collective agreements since 1956 had been concluded in nearly 6 per cent. of the factories. The subject matter of such agreements covered a wide range, e.g., wage revision, bonus, dearness allowance, festival advance, confirmation, increments, supply of uniforms, etc.

Only four factories, representing 3 per cent. of the total factories in Madras, were under an obligation to frame Standing Orders, but only one had done so. In this unit, Standing Orders had been framed under the Industrial Employment (Standing Orders) Act, 1946, which were duly certified by the competent authority. These Standing Orders covered all categories of workers.

Only one factory had appointed a Labour Officer who appeared before Industrial Tribunals on behalf of the management in case of industrial disputes.

Although 4 factories were under a statutory obligation to constitute Works Committees, yet none had done so.

As stated above, only one factory had framed Standing Orders and thus a prescribed grievance procedure had been laid down in that unit. No other unit had any prescribed grievance procedure.

None of the units surveyed in Madras had introduced any scheme for associating workers with the management of the establishment.

### Labour Cost

During 1964, the labour cost per man-day worked in the Bidi factories in Madras in respect of workers getting less than Rs. 400 per month was Rs. 2.97 as per details given below:—

Item	Labour Cost per man-day worked (Rs.)	Percentage to total
1	2	3
(i) Wages .. .. .	2.77	92.95
(ii) Bonuses .. .. .	0.13	4.45
(iii) Other cash payments .. .. .	0.01	0.33
(iv) Money value of payments in kind .. .. .	0.01	0.29
(v) Social security contributions		
(a) Obligatory .. .. .	*	0.08
(b) Non-obligatory .. .. .	*	0.04
(vi) Subsidies .. .. .	0.03	1.01
(vii) Some other payments related to labour cost .. .. .	*	0.11
(viii) Others .. .. .	0.02	0.74
	2.97	100.00

\*Less than Re. 0.005.

The entire cost under 'wages' related to basic wages and dearness allowance or consolidated wages, as the case might be. About 90 per cent. of the bonus cost was accounted for by annual bonus and the rest by festival bonus. The main items of expenditure under subsidies were medical and health care, sanitation, drinking water, washing facilities, etc. Expenditure under 'others' related to the pay of a Labour Officer.

## APPENDIX II

### *A Brief Note on the Sample Design and the Method of Estimation Adopted*

#### 1. Sample Design

For the Survey of Labour Conditions, a multi-stage sampling procedure with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Establishments in an industry/regional stratum were arranged in a frequency distribution fashion with suitable class intervals and were divided into two size-groups, large factories and small factories, on the basis of an optimum cut-off point derived for each industry. The optimum cut-off point was so derived that if all the establishments in the upper size group were included in the sample, the results obtained would yield an estimate of overall employment within 5 per cent. error at 95 per cent. confidence interval, and the sample size would be minimum. The optimum cut-off point varied from industry to industry. For the *Bidi* Industry it was chosen as 50 which was approximately equal to the average size of employment in the Industry. However, considering the limited resources available for the Survey of Labour Conditions and the practicability, etc., it was thought that a sample of 25 per cent. from the upper size group and 12½ per cent. from the lower size group would yield reliable results. However, the experience of earlier Surveys had shown that due to (i) non-availability of very recent frame (ii) closures, and (iii) units changing their line of production, considerable shrinkage had occurred to the desired sample size. Hence it was decided that for taking into account such closures, etc., the required sample size should be increased to allow for the above mentioned shrinkage. Since the sample size in respect of almost all industries had been inflated to safeguard against shrinkage due to closure of units, etc., substitution was resorted to only in case of abnormal closures of units, in the manner explained below:—

I. In case of such industries where the sample size had not been inflated, substitution was done to replace the sampled units found closed.

- (a) If the number of sampled units was 5 or less in size class of a particular stratum; or
- (b) The number of units found closed, etc., was more than 1 in a sample of 6 to 10 units of size class of particular stratum.
- (c) In cases where the sample size was more than 10 units, substitution was made when the extent of closures was 50 per cent. or more.

II. For industries where the sample size had already been inflated, substitution was done only if the extent of closures was 50 per cent. or more irrespective of the size of the sample unless such a high rate was already noticed in the Second Occupational Wage Survey and consequently taken into account in fixing the sample size.

The ultimate sampling units, namely registered factories, within regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper-size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected in the case of *Bidi* factories was the list of registered factories for the year 1963\*.

## 2. Method of Estimation

In the course of the Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not correlated with employment but with the number of establishments. Consequently, two different methods were used for working out estimates.

For estimating the totals of those characteristics which are highly correlated with employment such as labour cost, etc., ratio of total employment was used as the blowing-up factor. For estimating the totals of these characteristics which are not correlated with employment such as, number of units providing certain welfare facilities, etc., the ratio of units was used as the blowing up factor. For estimating the totals of these characteristics which are not correlated with employment such as, number of units providing certain welfare facilities, etc., the ratio of units was used as the blowing up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

More precisely, the estimate for the total (for all India) of a particular characteristic not correlated with employment in the industry has been obtained as:—

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{iu} + \frac{N_l - N'_l}{n_l - n'_l} \sum_i X_{il} \text{---(i)}$$

The summation extending over all the sampled units surveyed in the stratum.

Where  $X$  = the estimated total of the  $X$ —characteristic for a particular stratum.

$N_u$  and  $N_l$  = the number of units in the original population as featuring in the 1963 list, which was used as frame, in the upper and lower size groups respectively of the stratum.

\* For Andhra Pradesh and Maharashtra list relates to the year 1962.

$N'_u$  and  $N'_l$  = the number of units which featured in the 1963 list but were not featuring in the list relating to the period more or less coinciding with the period of the Survey in the upper and lower size-groups respectively, of the stratum.

$n_u$  and  $n_l$  = the total number of units in the sample (from 1963 list) in the upper and lower size groups respectively of the stratum.

$n'_u$  and  $n'_l$  = the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and hence left out in the upper and lower size groups respectively of the stratum.

$X_{iu}$  and  $X_{il}$  = the total of the characteristic  $X$  in the  $i$ th sample unit of the upper and lower size groups respectively of the stratum.

In any stratum the estimate for the characteristic  $Y$  correlated with employment is given by :—

$$Y = \frac{E_{Nu} - N'_u}{E_{nu} - n'_u} \sum_i Y_{iu} + \frac{E_{Nl} - N'_l}{E_{nl} - n'_l} \sum_i Y_{il} \text{ ——— (ii)}$$

The summation extending over all the sampled units surveyed in the stratum.

Where  $Y$  = the estimated total of the characteristic  $Y$  for a particular stratum.

$E_{Nu} - N'_u$  and  $E_{Nl} - N'_l$  = the total employment in 1963 in  $N_u - N'_u$  and  $N_l - N'_l$  units respectively, of the stratum.

$E_{nu} - n'_u$  and  $E_{nl} - n'_l$  = the total employment in 1963 in  $n_u - n'_u$  and  $n_l - n'_l$  sampled units respectively of the stratum.

$Y_{iu}$  and  $Y_{il}$  = the total of characteristic  $Y$  in the  $i$ th sample unit of the upper and lower size groups respectively of the stratum.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formulae for each one of the strata of an industry.

### *Published Reports on Survey of Labour Conditions*

Sl. No.	Symbol	Title of the Report	Year of Publication	Price
1	2	3	4	5
				Rs. P.
1	DLB-41/1000	Report on Survey of Labour Conditions in Silk Factories in India.	1964	5.50 or 12 Sh. 10 d. or 1 \$ 98 cents.
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1	2	3	4	5
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23	DLB-117/950	Report on Survey of Labour Conditions in Tea Plantations and Tea Factories in India.	1967	4·40 or 10 Sh. 4 d. or 1 \$ 59 cents.
24	DLB-118/900	Report on Survey of Labour Conditions in Coal Mining Industry in India.	1968	7·75 or 18 Sh. or 2 \$ 79 cents.
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				Rs. P.
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33	DLB-146/800	Report on Survey of Labour Conditions in Electric Light and Power Stations.	1969	4.10 or 9 Sh. 7 d. or 1 \$ 48 cents.
34	DLB-145/800	Report on Survey of Labour Conditions in Tanning and Leather Finishing Factories in India.	1969	6.50 or 15 Sh. 2 d. or 2 \$ 34 cents.
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40	DLB-151/450	Report on Survey of Labour Conditions in Cashewnut Factories in India.	1971	7.00 or 16 Sh. 4 d. or 2 \$ 52 cents.





